

# **Washington State Transportation Budget**

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## **An Overview**

**Briefing for the House of Representatives  
Transportation Committee**

Prepared by the Office of Program Research  
January 2005

# Washington State Transportation Budget Overview • January 2005

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# Introduction

Washington state has over 7,000 miles of highway, 40,000 miles of county roads, and 14,000 miles of city streets. Twenty-nine ferries carry over 10.9 million vehicles and 24.4 million passengers a year. Twenty-seven transit systems provide over 164 million bus trips, and the state operates 16 airports.

Transportation agencies at the state, regional, and local level monitor and police the state's highways, manage traffic safety programs, license the state's 4.5 million drivers, register 6.3 million vehicles, regulate the commercial vehicle and vehicle dealer industries, and collect and distribute taxes and fees.

These services and agencies are funded in full or in part by Washington State's Transportation budget. This document provides a brief overview of the transportation budget, outlines the budget's components and the budget process, and describes the agencies, goods, and services it funds. If you have any questions regarding this overview, please contact House Transportation Committee staff at (360) 786-7311.

More information can also be found in the *Transportation Resource Manual* created by the Legislative Transportation Committee at:

<http://lrc.leg.wa.gov/Manual03/Default.htm>



# Chapter 1 - State Budget Overview

## COMPONENTS OF THE STATE'S BUDGET

Washington State's 2003-05 biennial budget totals \$53.1 billion (excluding capital budget reappropriations). This amount is provided through three separate budgets--operating, capital, and transportation.

### Operating Budget (\$45.5 billion)

#### Purpose:

- Pays for the day-to-day operating expenses of state government, including the expenses of state agencies, colleges and universities, public schools, and other state programs.
- The General Fund portion of the operating budget pays the principle and interest on bonds sold to finance the capital budget.

#### Source:

- About half of the operating budget is financed through the State General Fund. The General Fund receives its revenues from retail sales tax (52%), business and occupation tax (18%), and property taxes (12%). Use taxes, real estate excise taxes, and public utility taxes provide an additional 10% combined.
- The remainder of the operating budget comes from federal and other funding sources.

#### Method of Development:

- The operating budget is primarily developed using incremental budgeting techniques.

### Capital Budget (\$2.8 billion)

#### Purpose:

- Pays for the acquisition and maintenance of state buildings, public schools, higher education facilities, prisons, public lands, parks, and other capital facilities.
- The capital budget often includes reappropriations for projects funded in a prior biennium but not fully completed within that timeframe.

#### Source:

- About half of the capital budget is financed by state-issued bonds. The debt service on the bonds is paid primarily by the operating budget. Debt service is limited by the State Constitution to no more than 9% of general state revenues.
- The remainder of the capital budget is financed from dedicated accounts, trust revenue, and other state funding sources.

#### Method of Development:

- The capital budget is developed using zero-based budgeting for new appropriations. Funds are also appropriated on a project basis.

## Transportation Budget (\$4.8 billion)

### Purpose:

- Pays for transportation operating and capital costs, such as maintaining, preserving, and improving the highway system; operating ferries; motor vehicle registration; and enforcing traffic laws on the state highway system. For the 2003-05 biennium, capital program appropriations represent approximately \$3.3 billion of the transportation budget, and operating programs approximately \$1.6 billion.

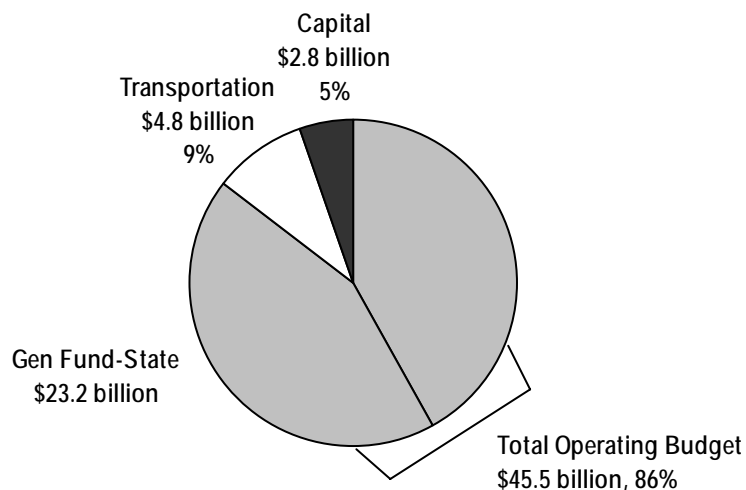
### Source:

- The primary sources of funding for the 2003-05 transportation budget are the state gas tax (27%); federal funds (18%); licenses, permits, and fees (12%); ferry fares (5%); and bonds (25%).
- Transportation related bonds are primarily repaid through motor vehicle fuel tax revenues and are separate from the debt financing used for the capital budget.

### Method of Development:

- The operating program budgets are primarily developed using incremental budgeting techniques, while the capital program budgets are primarily developed using zero-based budgeting techniques for new appropriations. Funds are generally appropriated at the agency level for smaller agencies and at the program level for larger agencies.

2003-05 Washington State Budget



# **STATE BUDGET PROCESS**

Decisions on spending levels and revenue sources are determined by the Legislature and the Governor through the development of the state budget. Washington State operates on a two-year (biennial) basis--July 1<sup>st</sup> of each odd-numbered year through June 30<sup>th</sup> of the next odd-numbered year. The 2005-07 biennium runs from July 1, 2005 through June 30, 2007. Following is an outline of the state budget process.

## **Agency Budget Requests**

By early fall of each even-numbered year, state agencies are required to submit their budget requests for the upcoming biennium to the Governor's Office of Financial Management (OFM). OFM staff evaluate the agency requests during the fall and provide analysis and recommendations to the Governor.

## **Governor Proposed Budget**

As required by law, the Governor proposes a biennial budget in December of even-numbered years. Based on the analysis and recommendations of OFM, the Governor develops a proposed spending and taxation plan for the biennium and submits the proposed budget to the Legislature for consideration during session.

## **Legislative Budget**

The Legislature reviews the Governor's budget and formulates its own version during the legislative session. By tradition, each biennium the House and the Senate alternate being the first to publish a proposed budget.

The Chairs of the fiscal committees (House Appropriations, House Capital Budget, House Transportation, Senate Ways and Means, and Senate Transportation) work with their respective members and staff to analyze the Governor's proposed budget. Alternative recommendations or proposals usually result from this effort.

After each chamber has passed a version of the budget, the differences are worked out in the budget conference process. Generally, fiscal leaders from both chambers and both political parties meet to negotiate and draft a final budget that is submitted to the full Legislature. Once the identical budget is passed by both chambers, it is delivered to the Governor for signature.

## **Final or Enacted Budget**

The Governor may veto all or part of the budget. The Governor may eliminate funding or requirements for certain activities, but may not add money for an activity for which the Legislature did not fund. The budget for the biennium is established when the Governor signs the budget bill.

## **Supplemental Budget**

In even-numbered years, the Legislature will consider changes to the biennial budget. These modifications, known as the supplemental budget, are generally corrections to the two-year spending plan to account for changes in conditions faced by the state.

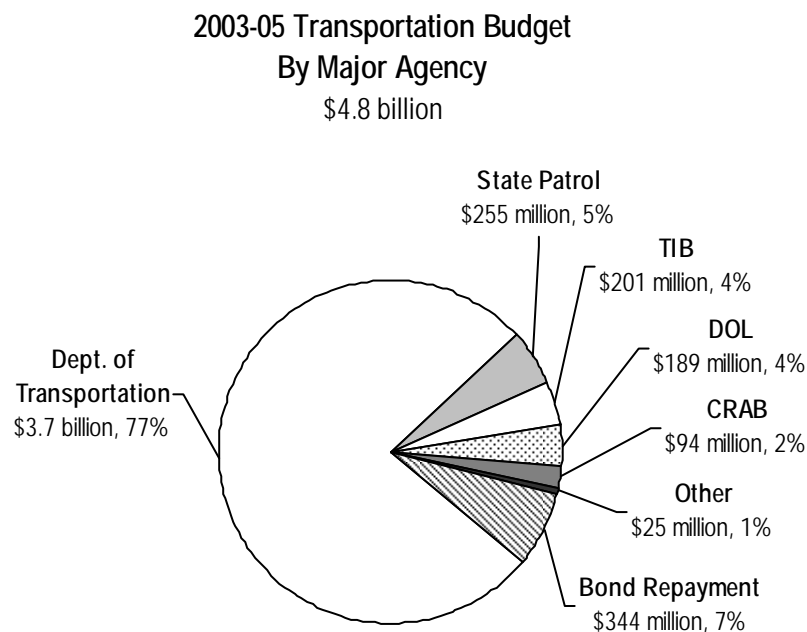




## Chapter 2 - Transportation Budget

### TRANSPORTATION BUDGET DISTRIBUTION

The transportation budget provides operating and capital funding to agencies that provide a wide variety of transportation functions and services. The major agencies include the Department of Transportation (WSDOT), the Department of Licensing (DOL), and the Washington State Patrol (WSP). Many smaller transportation agencies and committees are also funded through the transportation budget. These include entities such as the Transportation Improvement Board (TIB), County Road Administration Board (CRAB), Traffic Safety Commission, and the Legislative Transportation Committee.



In the larger agencies such as the Department of Transportation, the Department of Licensing, and the State Patrol, funding is appropriated by program. Programs are a defined set of activities within an agency. In cases where programs have both operating and capital elements, separate appropriations are made for the operating and capital components.

- Operating programs are the day-to-day expenses of running an agency or program such as salaries, benefits, and goods and services such as supplies and fuel.
- Capital programs are projects that are longer lived such as construction of roads, buildings, ferry terminals, and building or refurbishing vessels.

# **ACTIVITIES FUNDED BY THE TRANSPORTATION BUDGET**

Following are examples of activities funded by the transportation budget.

## **Operating Programs and Activities**

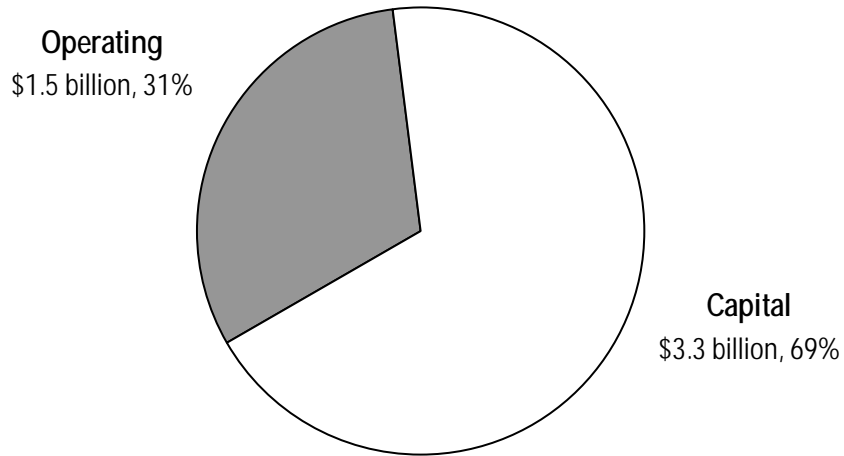
- Maintenance of the state highway system, including road patching, snow and ice removal, and traffic services.
- Ferry operations and security.
- Highway traffic enforcement, commercial vehicle enforcement, and traffic investigations.
- Driver licensing and vehicle registration.
- Traveler information, traffic flow control, and incident response.
- State-sponsored Amtrak service between Vancouver B.C. and Portland.
- Support for commute trip reduction efforts.
- Grants for rural mobility, high capacity transportation, and coordination between different modes of transportation.
- Aviation services, including search and rescue, pilot and aircraft registration, and grants to general aviation airports.
- Transportation planning and research.
- Technical assistance to cities, counties, transit agencies, and tribes.
- Transportation agency administration, management, information technology, and support services.

## **Capital Programs and Activities**

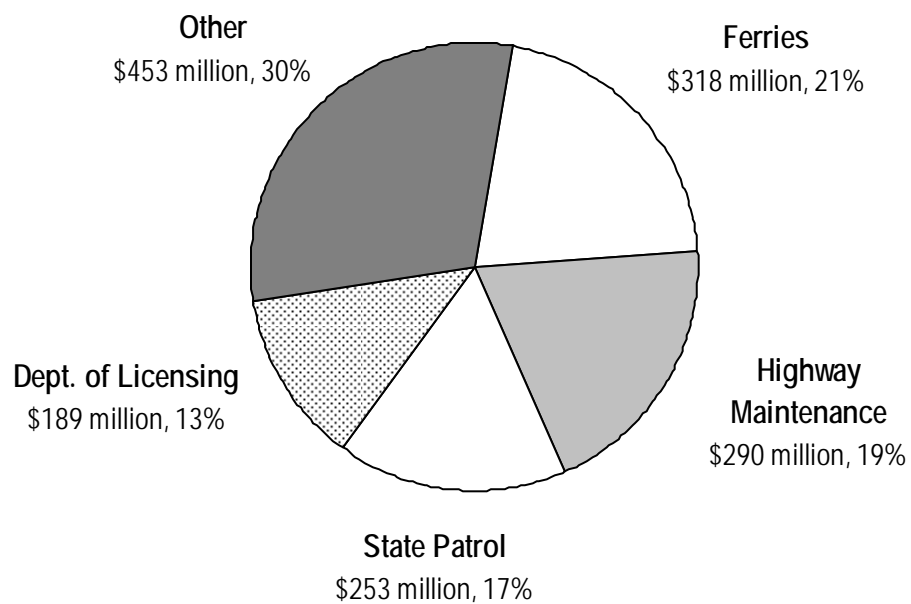
- Highway preservation and improvements.
- Ferry and terminal preservation and improvements.
- Department of Transportation facility maintenance and preservation.
- Rail line or car purchases, maintenance, or improvements.
- Grants and other financial assistance for:
  - Local improvement projects at or near schools.
  - Local freight mobility improvement projects.
  - City and county road preservation and improvements.

Detail for the 2003-05 appropriations are on pages 35 and 36.

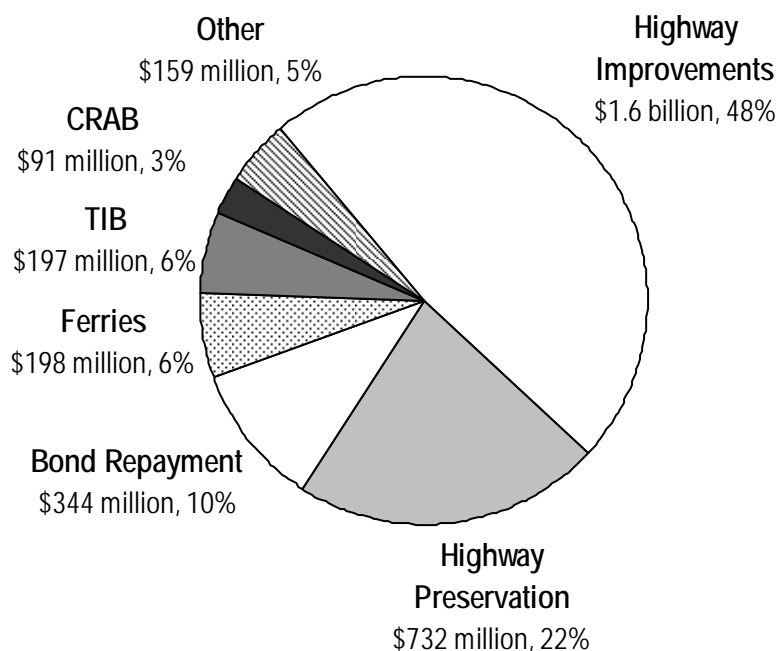
**2003-05 Transportation Budget**  
**Operating vs. Capital Expenditures**  
\$4.8 billion



**2003-05 Transportation Budget**  
**Operating Appropriations**  
\$1.5 billion



**2003-05 Transportation Budget  
Capital Appropriations**  
\$3.3 billion



## TRANSPORTATION BUDGET BILL

*"No moneys shall ever be paid out of the treasury of this state, or any of its funds, or any of the funds under its management, except in pursuance of an appropriation by law."*

-- Washington State Constitution, Article 8, Section 4

The transportation budget bill is the mechanism used to appropriate moneys for the transportation agencies of the state. Unlike policy bills, the budget bill is not codified and is only valid for the specified two-year biennial period.

The transportation budget bill is generally organized and divided into a number of sections to aid in the communication of the budget and legislative intent. Major sections of the transportation budget bill include operating program appropriations, capital program appropriations, transfers and distributions, and miscellaneous items.

## Operating Program Appropriations

This section includes the appropriations for agencies that receive operating program appropriations from transportation revenues, including general government and transportation agencies.

## **Capital Program Appropriations**

This section includes the appropriations for agencies that receive capital program appropriations from transportation revenues.

## **Transfers and Distributions**

This section includes various appropriations associated with supporting transportation related activities, including transfers for bond retirement and interest and for funds to implement actions included in the financial plan supporting the budget.

## **Miscellaneous Items**

This section does not include any specific appropriations, but rather provides additional legislative direction or clarification of intent. Examples are directing the Department of Transportation to focus a road construction project on certain goals, or requiring the Department of Licensing to report back to the Transportation Committees on the progress of implementing a new project.

## **Supplemental Budget**

The biennial budget may include a supplemental budget for the prior biennial budget, making minor adjustments for the remaining few months of the current biennium.

## **Additional Elements**

The following information is included within the various sections of the transportation budget bill. Examples are on the following two pages.

- Agency and/or program receiving the appropriation.
- Account and fund source(s) of the appropriation.
- Amount of the appropriation.
- Any conditions or limitations on the appropriation.

## Example of Operating Program Appropriation:

**FOR THE DEPARTMENT OF TRANSPORTATION--HIGHWAY MAINTENANCE--PROGRAM M**  
Motor Vehicle Account--State Appropriation. . . . .  
(( \$283,350,000 ))

|  |                      |
|--|----------------------|
|  | <u>\$283,991,000</u> |
| Motor Vehicle Account--Federal Appropriation .....       | \$1,426,000          |
| Motor Vehicle Account--Private/Local Appropriation ..... | \$4,253,000          |
| TOTAL APPROPRIATION.....                                 | (( \$289,029,000 ))  |
| .....  | <u>289,670,000</u>   |

The appropriations in this section are subject to the following conditions and limitations:

(1) If portions of the appropriations in this section are required to fund maintenance work resulting from major disasters not covered by federal emergency funds such as fire, flooding, and major slides, supplemental appropriations must be requested to restore state funding for ongoing maintenance activities.

(2) The department shall request an unanticipated receipt for any federal moneys received for emergency snow and ice removal and shall place an equal amount of the motor vehicle account--state into unallotted status. This exchange shall not affect the amount of funding available for snow and ice removal.

(3) The department shall request an unanticipated receipt for any private or local funds received for reimbursements of third party damages that are in excess of the motor vehicle account--private/local appropriation.

(4) Funding is provided for maintenance on the state system to allow for a continuation of the level of service targets included in the 2001-03 biennium. In delivering the program, the department should concentrate on the following areas:

(a) Meeting or exceeding the target for structural bridge repair on a statewide basis;

(b) Eliminating the number of activities delivered in the "f" level of service at the region level;

(c) Reducing the number of activities delivered in the "d" level of service by increasing the resources directed to those activities on a statewide and region basis; and

(d) Evaluating, analyzing, and potentially redistributing resources within and among regions to provide greater consistency in delivering the program statewide and in achieving overall level of service targets.

## Example of Capital Program Appropriation:

### FOR THE DEPARTMENT OF TRANSPORTATION--WASHINGTON STATE FERRIES CONSTRUCTION--PROGRAM W

|   |                                |
|---|--------------------------------|
| Puget Sound Capital Construction Account--        |                                |
| State Appropriation .....                         | (( <del>\$129,066,000</del> )) |
|   | <u>\$108,330,000</u>           |
| Puget Sound Capital Construction Account--        |                                |
| Federal Appropriation .....                       | (( <del>\$34,400,000</del> ))  |
|   | <u>\$69,881,000</u>            |
| <u>Puget Sound Capital Construction Account--</u> |                                |
| <u>Local Appropriation.</u> . . . . .             |                                |
|   | <u>\$249,000</u>               |
| Multimodal Transportation Account--State          |                                |
| Appropriation .....                               | \$13,381,000                   |
| Transportation 2003 Account (nickel account)      |                                |
| Appropriation .....                               | \$5,749,000                    |
| TOTAL APPROPRIATION.....                          | (( <del>\$182,596,000</del> )) |
|   | <u>\$197,590,000</u>           |

The appropriations in this section are provided for improving the Washington state ferry system, including, but not limited to, vessel construction, major and minor vessel ~~((improvements))~~ preservation, and terminal preservation, construction, and improvements. The appropriations in this section are subject to the following conditions and limitations:

(1) The multimodal transportation account--state appropriation includes \$11,772,000 in proceeds from the sale of bonds authorized by Senate Bill No. 6062. The transportation commission may authorize the use of current revenues available to the department of transportation in lieu of bond proceeds for any part of the state appropriation.



# TRANSPORTATION BUDGET SUPPORTING DOCUMENTS

Supporting documents often accompany the budget bill as a means to communicate and identify additional legislative intent. The most common documents supplied with the budget are the budget notes and project lists.

## Budget Notes

The budget notes provide the detail for the changes in the agency and program budgets. Under an incremental budgeting approach, these detailed line items identify the changes to the previous biennium budget. For supplemental budgets, budget notes indicate changes to the current budget. Using a zero-based budgeting approach, these line items reflect the building blocks for the current biennium budget. Budget note comments include a description of the item, the amount, the fund source, and whether the change is ongoing or is meant to be one-time.

### Sample Budget Notes:

**2003-05 Transportation Budget**  
**Department of Transportation**  
**Pgm T - Transpo Plan, Data and Resch**  
**Total Appropriated**  
(Dollars in Thousands)

|  | <b>Enacted</b> |
|--|----------------|
| 2001-03 Estimated Expenditures           | 34,075         |
| 13 Remove One-Time Items                 | -600           |
| 14 Adjust to 2001-03 Funding Proportions | -1,290         |
| 18 6767 Carry forward                    | 8              |
| 8D Budget Structure Changes              | -302           |
| 8J Pension Carry forward                 | -87            |
| 8K Health Benefits Carry forward         | 45             |
| <b>Total Carry forward Changes</b>       | <b>-2,226</b>  |
| 2003-05 Carry forward Level              | 31,849         |
| Maintenance Changes:                     |                |
| 9D Pension Rate Changes                  | 177            |
| <b>Total Maintenance Changes</b>         | <b>177</b>     |
| 2003-05 Maintenance Level                | 32,026         |
| Policy Changes:                          |                |
| AA3 Collision Reporting - Prog. Realign  | 2,400          |
| S01 Congestion Relief Modeling           | 3,800          |
| S02 RTPO Planning                        | 2,000          |
| S06 RTID Support                         | 3,000          |
| S07 RTID Project Estimate Reviews        | 5,000          |
| S17 Local Collision Records Backlog      | 650            |
| S19 Reappropriation for SAFTA            | 60             |

|                               |                                       |               |
|-------------------------------|---------------------------------------|---------------|
| S20                           | Reverse Collision Records Transfer    | -1,440        |
| TA                            | Functional Class Database             | -140          |
| TB                            | GPS Training                          | -225          |
| TC                            | Region and System Planning Reductions | -753          |
| TD                            | Program Admin and Support Reduction   | -166          |
| TE                            | Statewide Collision Records System    | 2,740         |
| TF3                           | Transfer TEP Staff                    | -983          |
| Z1B                           | Revolving Funds                       | 40            |
| Z2                            | Staff Reduc. and Oper. Efficiencies   | -110          |
| <b>Total Policy Changes</b>   |                                       | <b>15,873</b> |
| <b>Total 2003-05 Biennium</b> |                                       | <b>47,899</b> |

*Comments:*

The Transportation Planning, Data, and Research Program manages, coordinates, and supports the multimodal transportation planning, data, and research needs of the Department. Planning activities include coordinating long-range plan development, working with local jurisdictions, and administering pass-through funds. Data and research activities support the construction program.

AA3 - Collision Reporting - Prog. Realign - Funding is transferred from the Safety Improvement program (I2) to consolidate all program costs associated with the Collision Reporting System. (Motor Vehicle Account-State)

S01 - Congestion Relief Modeling - Funding is provided for a study of regional congestion relief solutions for Puget Sound, Spokane, and Vancouver. The study will provide proposals to alleviate congestion consistent with population and land use expectations under the Growth Management Act. (Motor Vehicle Account-State)

S02 - RTPO Planning - Funding is provided for additional assistance to the Regional Transportation Planning Organizations (RTPO) and long-range planning efforts. (Motor Vehicle Account-State)

S06 - RTID Support - Funding is provided to assist with the costs of the election and WSDOT project oversight. (Motor Vehicle Account-State)

S07 - RTID Project Estimate Reviews - Funding is provided for an external review of Regional Transportation Investment District (RTID) project costs estimates in order to provide the best available estimate of cost maximizing the use of RTID funds while ensuring that projects will not overrun estimates. (Motor Vehicle Account-State)

S17 - Local Collision Records Backlog - Funding is provided to complete the processing and analysis of the local collision record backlog. A portion of the state supervision funds identified in RCW 46.68.110(1) and 46.68.120 (3) are eligible for use in providing collision reporting processing and analysis for cities and counties. (Motor Vehicle Account-State)

S19 - Reappropriation for SAFTA - Reappropriations are made for expenditures moved from the 2001-03 biennium to the 2003-05 biennium for Strategic Freight Transportation Analysis. (Motor Vehicle Account-State)

S20 - Reverse Collision Records Transfer - In anticipation of collision records reform legislation (SSB 5499), the agency included funding in its base budget that was previously appropriated to the Washington State Patrol. With the failure of SSB 5499, the funding is eliminated from the WSDOT's base budget. The agency is encouraged to enter into an inter-agency agreement for reimbursement for the activities assumed from the Washington State Patrol. (Motor Vehicle Account-State)

TA - Functional Class Database - Funding is reduced through efficiency savings in functional class database maintenance. Additional work was completed in the 2001-03 biennium to update the Functional Class database. These upgrades allow for the reduction of work effort needed to maintain the database in the 2003-05 biennium. (Motor Vehicle Account-State, Motor Vehicle Account-Federal)

TB - GPS Training - Funding is eliminated for global positioning system (GPS) training for mapping-grade data collection. The Transportation Data Office (TDO) is responsible for providing training of regional staff in the use of GPS. Elimination of these funds from the TDO does not preclude continuation of the training if performed on a completely charge-back basis as long as the regions could cover the costs within their existing base budgets. (Motor Vehicle Account-State, Motor Vehicle Account-Federal)

TC - Region and System Planning Reductions - Funding is reduced for transportation planning and the strategic assessment effort. (Motor Vehicle Account-State, Motor Vehicle Account-Federal)

TD - Program Admin and Support Reduction - Funding is reduced for two positions eliminated as a result of consolidation and cross training. (Motor Vehicle Account-Federal)

TE - Statewide Collision Records System - Funding is provided to manage and maintain a statewide collision records system. The Department has the responsibility of processing and analyzing all accidents reports occurring on all roads and highways in the state. Analysis of this information assists cities, counties, and the Department in prioritizing their road projects. Due to problems in implementing the Collision Reporting and Statistical History (CRASH) program at WSP, collision reports were not analyzed for at least three years, from 1997 to 2000. In the 2001-03 biennium, the Legislature directed the Department to design a system and process that could analyze all reports. In addition, funds were appropriated to eliminate the backlog that accumulated between 1997 and 2000. The Department's appropriation in the 2003-05 biennium is to process and analyze all citizen, city, county, and state highway collision reports. (Motor Vehicle Account-State)

It is the intent of the Legislature that funding the costs associated with the collection, compilation, tabulation, analysis, and publication of accidents reports, police officer and investigator reports, and other reports required by Chapter 46.52 RCW shall not impair or impinge on any party's rights under the state public disclosure laws as provided in Chapter 42.17 RCW.

TF3 - Transfer TEP Staff - Funding for Transportation and Economic Partnership (TEP) staff and funding is moved back to the TEP program (Program K). (Motor Vehicle Account-State)

Z1B - Revolving Funds - Funding is provided for labor and industries rate increases. (Motor Vehicle Account-State)

Z2 - Staff Reduc. and Oper. Efficiencies - Funding and staffing levels are reduced for efficiencies that are expected in program administration, management, and operation. (Motor Vehicle Account-State)

## Project Lists

In recent times, a project list has accompanied the transportation budget. The project list outlines intent or identifies specific projects to be delivered. For the 2003-05 biennium, the appropriation for certain capital programs included proviso language tying the appropriation to a list of identified projects. The following is an example of proviso language from 2003-05:

*The entire 2003 transportation account (nickel account) appropriation is provided solely for the projects and activities as listed by project, biennium, and amount in the Legislative 2003 Transportation Project List - New Law List under the heading "Nickel Funds" as transmitted to LEAP on March 11, 2004. However, limited transfers of allocations between projects may occur for those amounts listed for the 2003-05 biennium subject to conditions and limitations in section 503 of this act.*

Project lists have included varying levels of detail. At a minimum, the Legislative Evaluation and Accountability Program (LEAP) Committee project list (as referenced in the above proviso) identifies the following:

- Project description.
- Project aging over a ten-year period.
- Total funding earmark for the ten-year period.

### Summary Project Lists

A sample of a summary project list is provided on the following page. The numbers below correspond to the location of the information on the report.

- Project location (state route and legislative district) ①/②
- Project description ③
- Estimated construction start date ④
- Phases of the project funded in the accompanying budget bill:
  - Preliminary engineering ⑤ – Costs that include the scope, pre-design, and design of the project, including environmental reviews and permitting
  - Right-of-way purchase ⑥ – Costs associated with acquiring the right-of-way necessary to build the project
  - Construction ⑦ – Costs associated with the actual construction of the project
- Ten-year project aging (the amount anticipated to be spent for each of the 5 biennia shown) and ten-year total ⑧
- Program or sub-program where the appropriation is made in the budget bill ⑨
- References in report footer ⑩ – Includes references to the entity that printed the report and the version used (including date and time the version was created).

## Example of Summary Project List

| TEIS - Capital Projects Budgeting and Reporting System<br>2004 Legislative Project List |                   |   |             |                        |             |             |                        |                      |        |        |                |
|---|-------------------|---|-------------|------------------------|-------------|-------------|------------------------|----------------------|--------|--------|----------------|
| ①   | ②                 | ③   | ④           | ⑤                      | ⑥           | ⑦           | ⑧<br>(\$ in Thousands) |                      |        |        |                |
| Route   | Leg Dist          | Project Description                         | CN St. Date | PE<br>03-05            | RW<br>03-05 | CN<br>03-05 | 03-05                  | 05-07                | 07-09  | 09-11  | 11-1310-Yr Tot |
| ⑨ II - Mobility   |                   |   |             |                        |             |             |                        |                      |        |        |                |
| 005   | 29,27             | I-5/SR 16 I/C / 38TH ST I/C, CORE HOV       | 07/17/00    | 256                    | 3,613       | 4           | 3,873                  | 670                  | 41,117 | 63,055 | 52,148 160,860 |
| 005   | 29,27             | I-5/S 48TH TO PACIFIC AVENUE - CORE HOV     | 10/04/04    | 566                    | 161         | 15,641      | 16,368                 | 47,690               | 28,704 | 0      | 0 92,762       |
| 005   | 29,27,25,30,33,30 | I-5/TACOMA TO EVERETT                       |             | 434                    | 0           | 0           | 434                    | 0                    | 0      | 0      | 0 434          |
| 005   | 30                | I-5/SR 161 I/C & SR 18 I/C                  |             | 2,612                  | 0           | 0           | 2,612                  | 396                  | 0      | 0      | 0 3,008        |
| 005   | 30                | I-5/FEDERAL WAY PARK & RIDE LOT #2          | 04/26/99    | 0                      | 0           | 185         | 185                    | 0                    | 0      | 0      | 0 185          |
| 005   | 30,33,11          | I-5/PIERCE CO. LINE TO TUKWILA I/C - HOV    | 09/10/90    | 1,156                  | 0           | 11,213      | 12,369                 | 54,953               | 687    | 0      | 0 68,009       |
| 005   | 32                | I-5/NE 175TH ST TO NE 205TH ST - NB LANE    | 10/04/04    | 708                    | 0           | 864         | 1,572                  | 5,878                | 0      | 0      | 0 7,450        |
| 005   | 33,11             | I-5/PIERCE CO. LINE TO TUKWILA I/C          | 10/10/94    | 0                      | 0           | 79          | 79                     | 0                    | 0      | 0      | 0 79           |
| 005   | 42                | SR 5, 9, 539, AND 543 - BORDER XING INFO    | 03/01/99    | 0                      | 0           | 51          | 51                     | 0                    | 0      | 0      | 0 51           |
| 005   | 44,21             | I-5/128TH ST SW (SR96) I/C IMPROVEMENTS     |             | 229                    | 0           | 0           | 229                    | 0                    | 0      | 0      | 0 229          |
| 005   | 44,21             | SR5/124TH ST. SW, BICYCLE/PEDESTRIAN O'XING | 10/04/04    | 146                    | 301         | 1,782       | 2,229                  | 1,812                | 0      | 0      | 0 4,040        |
| 005   | 44,38             | I-5/SR 526 TO MARINE VIEW DRIVE             | 10/01/07    | 13,392                 | 5,000       | 0           | 18,392                 | 110,000              | 88,000 | 0      | 0 216,392      |
| 005   | 49                | I-5/BURNT BRIDGE CREEK THRU NE 78TH ST      | 04/19/99    | 0                      | 10          | 30          | 40                     | 13                   | 2      | 0      | 0 55           |
| 005   | 49,18             | I-5/NE 134TH ST INTERCHANGE (I-5/I-205)     | 04/04/11    | 741                    | 0           | 0           | 741                    | 514                  | 1,232  | 6,014  | 31,500 40,000  |
| 005   | 49,18,17          | I-5/SALMON CREEK TO I-205 - WIDENING        | 05/12/03    | 0                      | 23          | 25,545      | 25,568                 | 6,686                | 0      | 0      | 0 32,255       |
| 009   | 01                | SR 9/SR 522 TO 228TH ST. SE - WIDENING      | 01/02/96    | 425                    | 0           | 586         | 1,011                  | 7,132                | 2,166  | 0      | 291 10,600     |
| 009   | 01                | SR 9/212TH ST SE TO 176TH ST SE             | 11/01/10    | 643                    | 0           | 0           | 643                    | 1,114                | 11,588 | 14,156 | 34,789 62,290  |
| 009   | 01                | SR 9/228TH ST SE TO 212TH ST SE(SR 524)     | 02/14/05    | 459                    | 9,567       | 572         | 10,598                 | 7,668                | 2,330  | 0      | 0 20,596       |
| 009   | 44                | SR 9/SNOHOMISH VIC. ACCESS MITIGATION       |             | 0                      | 240         | 0           | 240                    | 0                    | 0      | 0      | 0 240          |
| 009   | 44                | SR 9/US 2 INTERCHANGE - I/C MODIFICATION    | 04/26/04    | 317                    | 0           | 2,910       | 3,227                  | 1,489                | 0      | 0      | 0 4,716        |
| 012   | 16                | WALLA WALLA TO WALLULA PLANNING STUDY       |             | 3,257                  | 0           | 0           | 3,257                  | 3,977                | 0      | 0      | 0 7,234        |
| 012   | 16                | US 12/SR 124 TO MCNARY POOL - ADD LANES     | 10/04/04    | 1,766                  | 2,762       | 1,969       | 6,497                  | 5,254                | 0      | 0      | 0 11,751       |
| 012   | 16                | US 12/ATTALIA VIC. TO US 730 - ADD          | 10/01/07    | 0                      | 0           | 0           | 0                      | 1,522                | 8,626  | 0      | 0 10,148       |
| Printed by the House Transportation Committee - 04LEGTIME (7/20/04 2:09PM)<br>LTPR001Ax |                   |   |             | ← 10 →<br>Page 3 of 76 |             |             |                        | Nov 24, 2004 11:25AM |        |        |                |

### Detail Project List

In addition to the project summaries, detail reports are available both on-line and from House Transportation Committee staff. The following page includes a sample report. The numbers below correspond to the location of the information on the report.

- Project title ①
- Estimated percent completion of the project ②
- Project description ③
- Budget version in which the project is funded ④
- Project location information ⑤
- Department of Transportation project classification information ⑥
- Biennial costs appropriated for the first biennium, planned for future biennia, and funds spent in previous biennia ⑦
- Actual and estimated start and end dates for phases of the project ⑧
- Phases and fund sources of the project ⑨

#### Phases:

- Preliminary engineering – Costs that include the scope, pre-design, and design of the project, including the environmental reviews and permitting.
- Right-of-way purchase – Costs associated with acquiring the right-of-way necessary to build the project.
- Construction – Costs associated with the actual construction of the project.

#### Fund sources:

- State – Funds generated from state revenue sources, excluding the 5 cent gas tax increase initiated in the 2003 biennium
  - Federal – Funds received from the federal government
  - Local/Other – Funds contributed or reimbursed from local jurisdictions such as cities and counties or from transit districts
  - Bond – Funds tentatively planned to be generated from bond sales
  - T-Nickel – Funds generated from the 2003 session 5 cent gas tax increase
- Project totals - All phases of the project combined by fund type ⑩

## Example of Detail Project List

### TEIS - Capital Projects Budgeting and Reporting System Project Detail Report

① → I-5/SR 526 TO MARINE VIEW DRIVE

Project ID (PIN): 100543M Leg ID: ② Percent Complete: 3%

Description: HOV LANES

Book Description: This project will design and construct both a northbound and a southbound HOV lane on I-5 between SR 526 to US 2 in the city of Everett. Existing I-5 will be widened asymmetrically with both median and outside widening. Broadway off-ramp will be moved to the right side to increase safety and reduce congestion. ③

④ Up to 20 bridges will be widened. This project will require a full storm water system retrofit. The Lowell Road slide area will be investigated. Intelligent Transportation System monitoring equipment will be installed. Design and construction of several noise walls and several retaining walls is anticipated.

Budget Version: Construction List - 04LEGFIN 2004 Legislative Project List Details (4/28/2004 3:43:54 PM)

Agency: Department of Transportation

Location: EVERETT

Route: 005

Begin - End Mile Posts: 189.30 - 194.81

County: Snohomish

Legislative District(s): 44,38

⑤

⑥ DOT Region: Northwest Region  
Major Corridor: Complete Puget Sound Core HOV System - Multi  
Urban Area: Seattle- Everett  
Improvement Type: HOV Lanes HISTORY  
Program / Sub-Program: Improvement / Mobility  
Sub-Category: HOVs

⑦

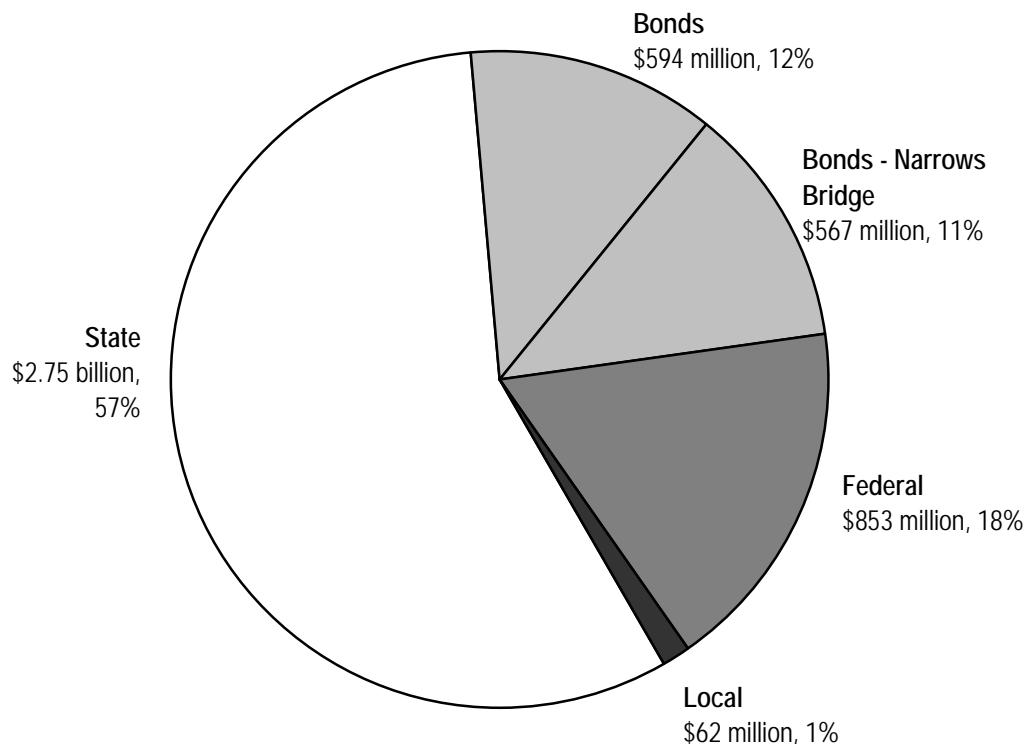
⑧

| PROJECT COSTS           |           |            |             |            |       |       |        |             |            | PROJECT STATUS |                              |                         |  |
|-------------------------|-----------|------------|-------------|------------|-------|-------|--------|-------------|------------|----------------|------------------------------|-------------------------|--|
| Phase                   | Prior     | 03-05      | 05-07       | 07-09      | 09-11 | 11-13 | Future | Total       | Start Date | End Date       | Phase Status                 | Funding Status          |  |
| Preliminary Engineering | 5,236,414 | 13,392,123 | 5,000,000   | 0          | 0     | 0     | 0      | 23,628,537  | 1/2/98     | 11/1/07        | Legislative Approval         | Funded Work in Progress |  |
| State                   | 1,898,614 | 471,838    | 0           | 0          | 0     | 0     | 0      | 2,370,452   |            |                |                              |                         |  |
| Federal                 | 3,309,178 | 1,920,285  | 0           | 0          | 0     | 0     | 0      | 5,229,463   |            |                |                              |                         |  |
| Local/Oth               | 28,536    | 0          | 0           | 0          | 0     | 0     | 0      | 28,536      |            |                |                              |                         |  |
| Bond                    | 86        | 0          | 0           | 0          | 0     | 0     | 0      | 86          |            |                |                              |                         |  |
| T-Nickel                | 0         | 11,000,000 | 5,000,000   | 0          | 0     | 0     | 0      | 16,000,000  |            |                |                              |                         |  |
| Right of Way            | 0         | 5,000,000  | 7,876,000   | 0          | 0     | 0     | 0      | 12,876,000  | 9/3/04     | 8/3/07         | Add to Leg Book (Leg Action) | 1st Biennium Start      |  |
| T-Nickel                | 0         | 5,000,000  | 7,876,000   | 0          | 0     | 0     | 0      | 12,876,000  |            |                |                              |                         |  |
| Construction            | 0         | 0          | 97,124,000  | 88,000,000 | 0     | 0     | 0      | 185,124,000 | 10/1/07    | 12/5/11        | Add to Leg Book (Leg Action) | 2nd Biennium Start      |  |
| T-Nickel                | 0         | 0          | 97,124,000  | 88,000,000 | 0     | 0     | 0      | 185,124,000 |            |                |                              |                         |  |
| Total                   | 5,236,414 | 18,392,123 | 110,000,000 | 88,000,000 | 0     | 0     | 0      | 221,628,537 |            |                |                              |                         |  |
| State                   | 1,898,614 | 471,838    | 0           | 0          | 0     | 0     | 0      | 2,370,452   |            |                |                              |                         |  |
| Bond                    | 86        | 0          | 0           | 0          | 0     | 0     | 0      | 86          |            |                |                              |                         |  |
| Federal                 | 3,309,178 | 1,920,285  | 0           | 0          | 0     | 0     | 0      | 5,229,463   |            |                |                              |                         |  |
| Local/Oth               | 28,536    | 0          | 0           | 0          | 0     | 0     | 0      | 28,536      |            |                |                              |                         |  |
| T-Nickel                | 0         | 16,000,000 | 110,000,000 | 88,000,000 | 0     | 0     | 0      | 214,000,000 |            |                |                              |                         |  |

## Chapter 3 - Transportation Revenue Sources

The revenue available for transportation purposes is classified into four categories: state funds (including taxes and fees), bonds, federal funds, and local funds. These funds are appropriated through the transportation budget. Amounts distributed by statute directly to cities and counties are not appropriated through the budget (and are not included in chart totals).

### 2003-05 Transportation Budget Sources of Funds \$4.8 Billion Total



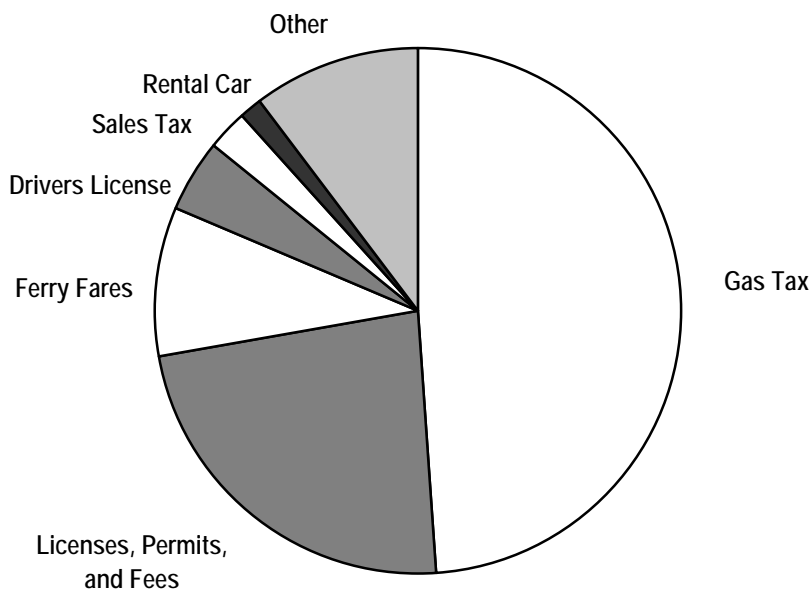


## State Funds

The sources of state available funds for the 2003-05 transportation budget are:  
(\$ in millions)

|   |                |     |
|---|----------------|-----|
| Gas Tax                                 | \$1,345        | 49% |
| Licenses, Permits, and Fees             | 638            | 23% |
| Ferry Fares                             | 256            | 9%  |
| Driver License Fees                     | 125            | 5%  |
| Sales Tax on Motor Vehicle Transactions | 65             | 2%  |
| Rental Car Sales Tax                    | 41             | 1%  |
| Other Sources                           | 280            | 10% |
| <b>Total</b>                            | <b>\$2,750</b> |     |

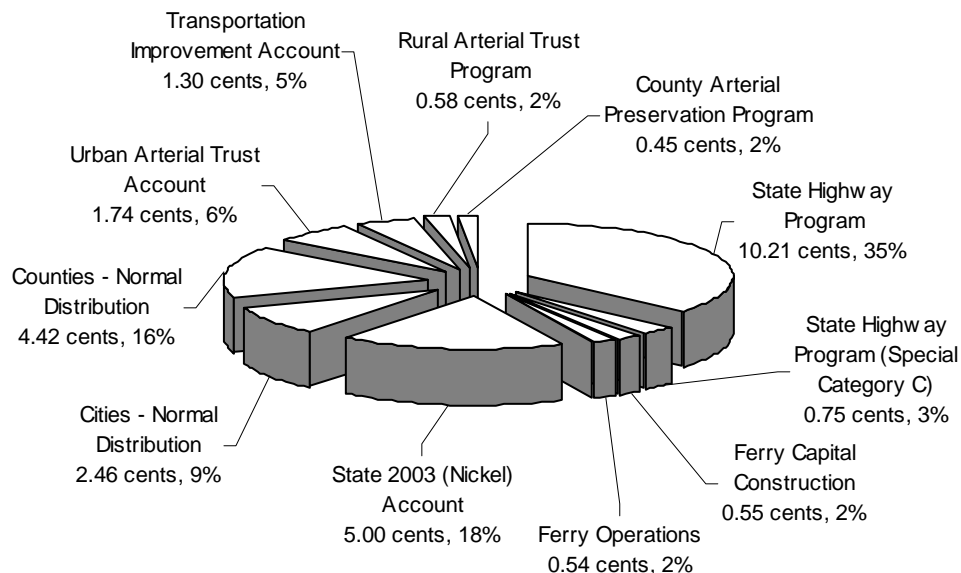
Sources of 2003-05 Transportation Budget



## Gas Tax

Washington state has a 28 cent per gallon tax on gasoline and diesel fuels. The following chart shows how the gas tax is distributed.

### Statutory Distribution of the 28 Cent Gas Tax 03-05 Biennium Projection - \$1.78 billion (November Forecast)



**State Highway Program** – 10.21 cents deposited into the Motor Vehicle Account. Primarily used for state highway related expenditures.

**Special Category C** - .75 cents deposited into the Motor Vehicle Account for high-cost highway projects.

**Ferry Capital** - .55 cents deposited into the Puget Sound Capital Construction Account for the construction and maintenance of the state's ferries and terminals.

**Ferry Operations** - .54 cents deposited into the Puget Sound Ferry Operations Account for the operation of the state ferry system.

**Transportation 2003 (Nickel) Account** – 5 cents deposited into the Transportation 2003 (Nickel) Account for designated projects. This amount will expire when the projects are completed and the bonds associated with this revenue stream are retired.

**Cities** – 2.46 cents distributed directly to cities based on population, for construction, maintenance, and policing of city streets.

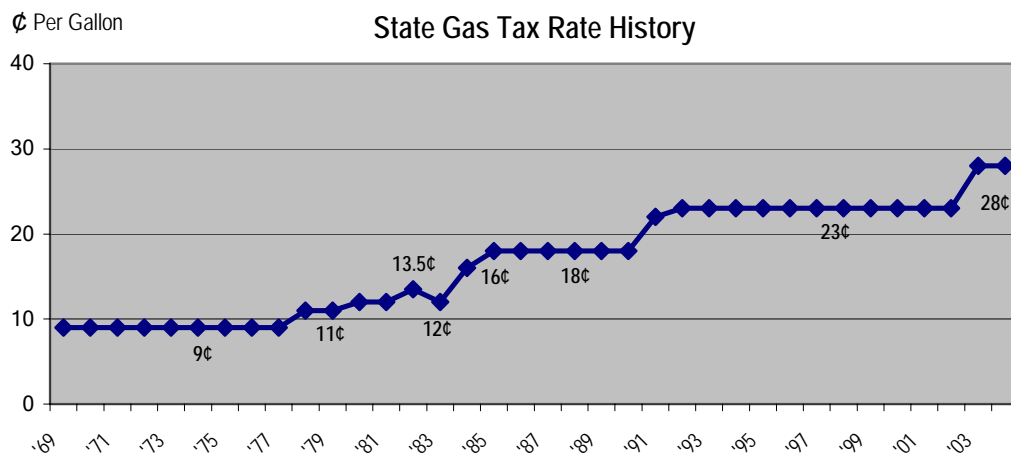
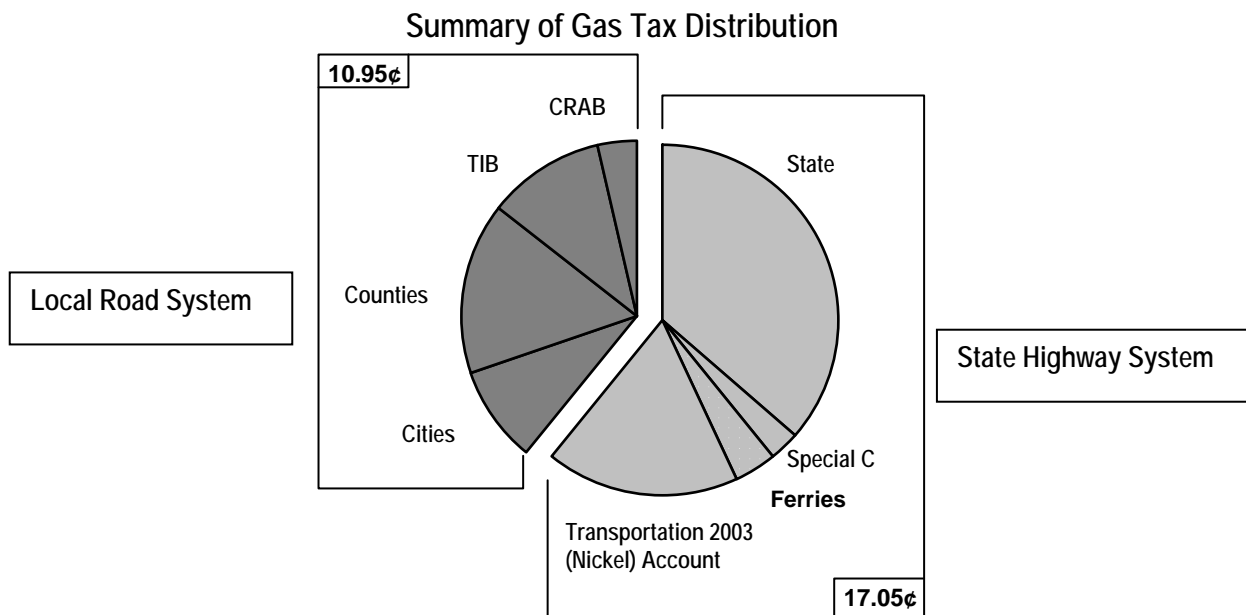
**Counties** – 4.42 cents distributed directly to counties for construction, maintenance, and policing of county roads. Of this amount, 10% is evenly distributed, 30% by population, 30% based on annual road costs, and 30% based on needs for construction and maintenance.

**Urban Arterial Trust Account** – 1.74 cents distributed by the Transportation Improvement Board through grants for the Arterial Improvement Program, Small City Program, Pedestrian and Mobility Program, and the City Hardship Assistance Program.

**Transportation Improvement Account** – 1.30 cents distributed by the Transportation Improvement Board as grants for congestion projects in cities with populations greater than 5,000.

**Rural Arterial Program** - .58 cents deposited into the Rural Arterial Trust Account. The account is administered by the County Road Administration Board and the funds are distributed to counties as grants for construction and reconstruction of rural arterials.

**County Arterial Preservation Program** - .45 cent deposited in the County Arterial Preservation Account distributed by the County Road Administration Board for structural integrity and safety of county arterials.

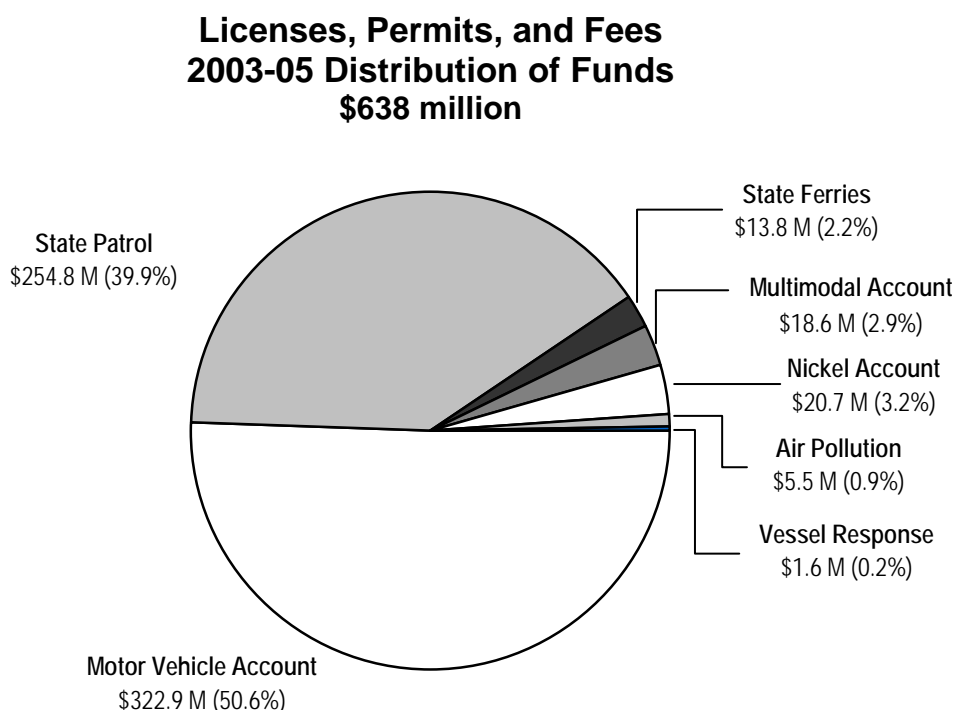


## Licenses, Permits, and Fees

Licenses, permits, and fee revenues are primarily generated from the \$30 vehicle license fee and the combined license fee paid by trucks (commonly called the gross weight fee). Other fees include title fees, vehicle inspection fees, and special permit fees.

In 2003, the gross weight fee was increased 15%. Other licensing fees were used to pay for programs to retrofit school buses to reduce pollution and for the Neah Bay rescue tug to respond to disabled vessels in the Strait of Juan de Fuca.

Licenses, permits, and fees are the second largest source of state funds for transportation, and are distributed as follows:



### Ferry Fares

Ferry passengers pay a toll (fare). The fares vary significantly for different routes and seasons. Currently, the fares cover approximately 70% of state ferry operating expenditures. Assuming continuation of passenger-only service, the goal is for fares to pay for 80% of ferry operating costs.

### Drivers Licenses

The Department of Licensing collects fees to cover costs associated with licensing drivers. In recent years, excess funds have been transferred to other accounts. The fees that generate the greatest amount of revenue are drivers license fees and the sale of drivers abstracts. Other license fees include motorcycle and commercial drivers license endorsements.

### **Vehicle Sales Tax**

The 2003 new revenue legislation created a 0.3% sales tax on used vehicle purchases. These dollars, along with the rental car sales tax, generate most of the funds used for non-highway purposes (\$65 million).

### **Rental Car Sales Tax**

Washington State has a 5.9% sales tax on rental cars. In terms of flexible revenue sources, the rental car tax is the second largest contributor to the Multimodal Transportation Account (\$41 million).

### **Other Revenue**

Other revenue sources include interest earnings on fund balances, aircraft fuel taxes, ferry concessions, speeding fines in school zones, sales of Department of Transportation right-of-ways, and transfers from existing fund balances (\$280 million).

## **Bonds**

Separate from the bonds that finance the capital budget, transportation bonds are usually backed by the fuel tax and the full faith and credit of the state. Bonds that are backed by the fuel tax and/or vehicle license fees are exempt from the state's debt limit.

In 2003, \$349 million in bonds were authorized for sale and were backed by revenues from the Transportation Multi-Modal Account. Approximately \$40 million of these bonds are to be sold in the 03-05 biennium. These bonds are subject to the state's debt limit.

Bonds are used to finance capital projects. A capital project is generally defined as an asset that has a useful life of greater than one year. In order to qualify for bond financing, the useful life of the project must exceed the term of the bonds. State of Washington bonds generally have a term of 25-30 years. Examples of projects and their useful life are:

- Bridges - 75 years
- Buildings - 50 years
- Portland cement concrete pavement - 30 to 40 years
- Ferry vessels - 25 years to first renovation
- Ferry terminals - 40 to 60 years

The state makes periodic interest and principal payments to the bondholders. These payments are commonly known as debt service. The amount to be paid back is determined by the length or term of the bonds and the interest rate. In determining the interest rate, bondholders look to available revenues. The best interest rate is available to those bonds that pledge the "full faith and credit" of the state, meaning the state will pay the bondholders with any available revenue source. Additionally,

states are given bond ratings that are indicators of the state's ability to repay the debt. A high bond rating generally results in a lower interest rate. The three major bond rating companies, Moody's, Standard and Poor's, and Fitch, give Washington State their second or third highest rating.

## Bond Sales for the Current Biennium and Proposed Future Bond Sales

|  | Total Bonding Authorization | Bonds Sold as of August 1, 2004 | Planned Sales for Remainder of FY 2005 | Remaining Authority as of July 1, 2005 | 2005-07 Budget Proposal | Remainder of 10 Year Plan | Remaining Authorization after 2013-15 |
|--|-----------------------------|---------------------------------|--|--|-------------------------|---------------------------|---------------------------------------|
| <b>2003 Transportation Project Bonds (Nickel Account) RCW 47.10.861</b><br>Highway Improvements    | \$2,600,000,000             | \$175,000,000                   | \$80,000,000                           | \$2,345,000,000                        | \$704,000,000           | \$1,641,000,000           | \$0                                   |
| <b>Multimodal Bonds (GO Bonds) RCW 47.10.867</b><br>Multimodal Transportation Projects             | \$349,500,000               | \$20,000,000                    | \$24,022,000                           | \$305,478,000                          | \$48,164,000            | \$257,314,000             | \$0                                   |
| <b>Referendum 49 Bonds RCW 47.10.843</b><br>State and Local Highway Improvements                   | \$1,100,000,000             | \$787,330,000                   | \$0                                    | \$312,670,000                          | \$125,000,000           | \$90,000,000              | \$97,670,000                          |
| Set-aside for Tacoma Narrows Bridge*   | \$800,000,000               | \$498,000,000                   | \$45,000,000                           | \$257,000,000                          | \$257,000,000           | \$0                       | \$0                                   |
| Total R 49 Bond Authorization  | \$1,900,000,000             | \$1,285,330,000                 | \$45,000,000                           | \$569,670,000                          | \$382,000,000           | \$90,000,000              | \$97,670,000                          |
| <b>Special Category C Bonds RCW 47.10.812</b><br>Highway Improvements                              | \$330,000,000               | \$330,000,000                   | \$0                                    | \$0                                    | \$0                     | \$0                       | \$0                                   |
| <b>Transportation Improvement Board Bonds RCW 47.26.500</b><br>Highway Improvements in Urban Areas | \$100,000,000               | \$85,857,000                    | \$0                                    | \$14,143,000                           | \$14,143,000            | \$0                       | \$0                                   |
| <b>Total Bond Sales Required to Support the 2005-07 Budget Proposal and Ten-Year Plan</b>          |                             |                                 |  |  | <b>\$1,134,164,000</b>  | <b>\$1,988,314,000</b>    |                                       |

\*Some portion of the bond sale amount for Tacoma Narrows Bridge may not be needed to complete the financing of the project. It is too early to determine with any degree of accuracy how much may or may not be needed.

## Federal Funds

The state receives federal funds for transportation programs and specific projects through federal transportation acts. Federal funds are authorized in multi-year acts. The current act, the Transportation Equity Act for the 21st Century or TEA-21, expired September 30, 2003. Until a new federal act is enacted, resolutions have been made that authorize the continuation of federal funds through May, 2005.

| Program                             | 1998-2003 Receipts (\$ in millions) |
|-------------------------------------|-------------------------------------|
| Interstate Maintenance              | \$491                               |
| National Highway System             | \$551                               |
| Minimum Guarantee Flexible          | \$160                               |
| STP Allocation                      | \$698                               |
| Bridge                              | \$625                               |
| Congestion Mitigation & Air Quality | \$139                               |
| Metropolitan Planning               | \$22                                |
| Recreational Trails                 | \$6                                 |
| State Planning and Research         | \$54                                |
| High Priority Projects              | \$198                               |
| Discretionary Receipts              | \$254                               |
| <b>Total</b>                        | <b>\$3.198 billion</b>              |

Every year the federal government enacts an appropriation bill, covering the federal fiscal year of October 1 through September 30. The appropriation bill stipulates the amount of the authorization from the federal transportation act that the states can obligate.

Funding is made available through a number of programs included in the federal authorization bill. The above chart summarizes funding received through each program between 1998 and 2003. Following is a brief summary of the programs.

### Interstate Maintenance

Provides funding to maintain the interstate highway system and is used for activities such as resurfacing, restoration, rehabilitation, and reconstruction. The funds may not be used to expand the capacity of any interstate highway or bridge unless the expansion consists of one or more High Occupancy Vehicle lanes. Funds are distributed via a three-part formula. A 9.34% state match is required.

### National Highway System

Provides funding for projects on the national highway system, including construction, reconstruction, resurfacing, restoration, rehabilitation, and operational improvements. Funds may be used in certain circumstances for construction and operational improvements off the national highway system. Funds are distributed via a four part formula. A 13.5% state match is required.

### Minimum Guarantee Program

This program provides guarantees that each state will receive at least a minimum percentage of funding each year, regardless of the operation of other program distribution formulas. Funds are not subject to any distribution requirements. A 13.5% state match is required.

### Surface Transportation Program (STP)

The STP is the most flexible of all of the federal programs. Funds can be used for construction, reconstruction, resurfacing, restoration, rehabilitation, and operational improvements of highways and bridges. The funding can also be used for other transportation modes, mitigation of damage to wildlife and habitat caused by a project, capital cost of transit projects eligible for assistance under the Federal Transit Act, publicly owned intra- and inter-city bus terminals and facilities, highway and transit safety improvements and hazard elimination, surface transportation planning, highway and transit research and planning and technology activities, capital and operating costs for traffic monitoring, management and control, fringe and corridor parking facilities, carpool and vanpool projects, bicycle and pedestrian facilities, transportation control measures, transportation enhancement activities, development of management systems, and wetlands mitigation. Limitations are placed on the percentage of total funds that can be used on various activities. A 13.5% state match is required.

### Bridge Program

This program provides funds for the replacement or rehabilitation of bridges which are unsafe because of structural or deterioration problems. At least 15% and not more than 35% must be used on public, non-national highway bridges. Funds are distributed based on need. A 20% state match is required.

### Congestion Mitigation/Air Quality Improvement Program

This program provides funds for transportation projects and programs that will contribute to attaining and maintaining air quality standards. Examples are programs for improved transits, construction of lanes for bus use or HOV, trip reduction

programs, fringe and corridor parking facilities, carpool and vanpool programs, and non-motorized transportation facilities. Funds are distributed based on need for locations qualifying for the program. In Washington, the Tacoma, Seattle, Everett, Spokane, Vancouver, and Yakima areas qualify for this program. A 13.5% state match is required.

#### Metropolitan Planning

This program provides funds to assist meeting federally-required transportation planning responsibilities. One percent of the funds available for distribution to the states are set aside for the metropolitan planning program, which includes the National Highway System, Surface Transportation, Congestion Mitigation Air Quality Improvement, Interstate Maintenance, and Bridge programs. Funds are distributed based on the size of urbanized areas. A 13.5% state match is required.

#### Recreational Trails Program

This program provides funds to develop and maintain trails for motorized and non-motorized recreational use. Funds are distributed by formula. Limitations are placed on the use of funds: 40% for diverse trail use, 30% for motorized recreation, and 30% for non-motorized recreation. A 13.5% state match is required.

#### State Planning and Research

This program establishes a framework for making transportation investment decisions. The framework includes the coordination of statewide and metropolitan planning, provides an opportunity for public involvement, emphasizes fiscal constraints and public involvement in developing the Statewide Transportation Improvement Program, incorporates tribal concerns in planning efforts, and requires development of statewide transportation plans and programs. Funding is calculated by taking 2% of the state's share of the program funds for the Interstate Maintenance, National Highway System, Surface Transportation, Congestion Mitigation and Air Quality Improvement, and Bridge programs, and placing that 2% in a Planning and Research Program for state use. A 20% state match is required.

#### High Priority Projects

In addition to the funds distributed for Interstate Maintenance, National Highway System, and the Surface Transportation Program, Congress often provides funds for named high priority projects in either highway aid authorization bills or in U.S. Department of Transportation appropriation bills. A 20% state match is required.

#### Discretionary Receipt Programs

The Federal Highway Administration grants discretionary program awards:

- Bridge Discretionary Program - This program provides funds for bridge projects with a replacement or rehabilitation cost of more than \$10 million, or projects with a cost of less than \$10 million if the cost is at least twice the annual state apportionment under the formula for the Bridge Program. A 20% state match is required.



- **Federal Lands Program** - This program provides funding for improvement to and preservation of highways on federal lands. The program has four categories: Indian Reservation Roads, Parkways and Park Roads, Public Lands Highways, and Refuge Roads. Funds are distributed based on relative need. There is no state matching requirement.
- **Ferry Boat and Terminal Facilities Program** - This program provides funding for construction of ferry boats and terminals. Funds are distributed based on application by the state or at congressional direction. A 20% state match is required.
- **Interstate Highway System/Interstate Maintenance Discretionary** - This program provides funds for resurfacing, restoration, and reconstruction projects on the interstate highway system. To be eligible for these funds, a state must obligate all of the apportioned Interstate Maintenance funds and not have transferred any Interstate Maintenance funds to another program in the previous year. Washington has not met the eligibility for these funds and does not expect to in the future. Funds are distributed based on application by the state. A 9.34% state match is required.
- **TEA-21 New Highway Discretionary Programs** - TEA-21 authorized three new highway discretionary programs. The purpose of these programs is to provide federal financial assistance, funding for the coordination of borders, and grants for a Transportation and Community and Systems Preservation pilot.

#### Other Federal Funding

- **The National Motor Carrier Safety Program** - This program promotes motor carrier safety in the areas of inspections, traffic enforcement, compliance reviews, border security, and commercial vehicle information systems and networks for state information sharing. A 20% state match is required.
- **State and Highway Safety Grants** - This program provides grants to support state highway programs designed to reduce traffic crashes, deaths, injuries, and property damage. At least 40% of the funding must be used to address local traffic safety problems, including DUI, safety restraints, police traffic services, roadway safety, traffic records, emergency medical services, motorcycle safety, and pedestrian and bicycle safety. Funds are distributed using a two-part formula based on population and road miles. A 50% state match is required for planning and administrative purposes and a 25% state match is required for all other purposes.

## **Local Government Reimbursements**

Local governments reimburse the state for services. Often local governments can save money by adding a transportation project to a state project. An example is paving a portion of an adjoining local roadway as part of a state paving project.



## Chapter 4 - Local Governments and Public Transportation Agencies

About 10 to 15% of the funding for city and county road systems are provided by the transportation budget, mainly through grants administered by the Transportation Improvement Board (TIB) and the County Road Administration Board (CRAB). Most of the funding for local governments is either distributed directly, such as the gas tax, or is generated locally, such as sales taxes. The state transportation budget provides public transportation agencies approximately 1% of their budget, mainly in the form of grants.

### Cities and Counties

Revenue for cities and counties is derived from several sources. Cities receive the largest portion of their funding from charges for services (38.3%), property taxes (11.1%), sales and use taxes (9.4%), business and utility taxes (9.0%), distributions from the state and federal government (7.3%), and from selling bonds (13.1%). Counties receive the largest portion of their funding from distributions from the state and federal government (21.5%), property taxes (21.1%), charges for services (16.4%), sales and use taxes (12.8%), and from selling bonds (16.3%).

Included in the above revenue sources are the city and county distributions of the state gas tax:

- Cities receive 2.46 cents of the state's 28 cent gas tax. From that amount, up to 1.5% is withheld to cover the state's cost to administer federal grants and roadwork, up to 0.33% can be withheld to cover state sponsored studies, and 1% is redirected to the City Hardship Assistance Account to help small cities that maintain sections of state highways within their city limits. The net 2.39 cents after the above deductions is distributed by population for maintenance and construction of streets. The city distribution is subject to the 18<sup>th</sup> amendment limitations as discussed in Appendix G.
- Counties receive 4.42 cents of the state gas tax. From that amount, 50% of any operating deficits incurred by county ferry systems are paid, 1.5% is withheld for state services (statutory regulation, grant supervision, and technical support to counties), up to 0.33% can be withheld to cover state sponsored studies, and amounts calculated under the state Capron Act are returned to San Juan and Island counties. The remaining 4.34 cent net distribution is distributed by formula, with 10% being evenly distributed, 30% based on population, 30% based on annual road costs, and 30% based on need.

### Local Option Taxes

In addition to the gas tax distributions, cities and counties have a variety of local option taxes available for transportation needs. Several of these taxes were established as part of the 1990 transportation revenue package.

- **Border Area Motor Vehicle Fuel and Special Fuel Tax** - This tax is available to cities and towns within ten miles of an international border crossing. Eligible jurisdictions may impose a tax of up to one cent. The towns of Sumas, Blaine, Nooksack, Point Roberts, and Northport have used this tax.
- **Commercial Parking Tax** - All counties and cities are eligible to implement this tax. No specific rate or limit is identified. The tax is levied on the commercial parking business based on proceeds, on the number of stalls at the facility, or as part of the user fee. SeaTac, Bainbridge Island, Bremerton, Mukilteo, and Tukwila have imposed this tax.
- **Local Option Taxes for High Capacity Transportation** - Three local option taxes are available for high capacity transportation purposes. These taxes include a Motor Vehicle Excise Tax (up to 0.8% of the vehicle value), an Employer Tax (up to \$2 per employee per month), and a Sales and Use Tax (up to 1%). Sound Transit is the only entity that has implemented any of these taxes--a 0.3% Motor Vehicle Excise Tax and a 0.4% sales tax.
- **Local Option Taxes for High Occupancy Vehicle Systems** - King, Pierce, and Snohomish counties are eligible to implement local taxes for high occupancy vehicle systems. These taxes include a Motor Vehicle Excise Tax (up to 13.64% of the state MVET rate of 2.2%) and an Employer Tax (up to \$2 per employee per month). None of these counties have enacted these taxes.
- **Local Motor Fuel Tax** - Every county is eligible to implement a local fuel tax. The tax must be implemented countywide and requires voter approval, and must be equal to 10% of the statewide fuel tax rate. No county has enacted this tax.
- **Property Tax Road Levy** - Every county in the state is eligible to collect a property tax road levy on unincorporated areas. The revenues from this tax are used for the construction, preservation, and maintenance of county roads, bridges, and wharfs for providing vehicle ferry service. The tax cannot exceed \$2.25 per thousand dollars of assessed value. All counties have implemented this tax, at varying rates.

## Public Transportation Agencies

### Organization

Transit service in Washington State is primarily the responsibility of local special purpose government agencies. There are 27 transit agencies in the state, including the Seattle Monorail Authority and Sound Transit. Most transit agencies are governed by boards consisting of county and city elected officials.

The majority of local transit agencies include either an entire county or the urbanized areas within a county. Some agencies are multi-county, and four, including the Seattle Monorail Authority, encompass a single city. About 5.3 million persons, or 86% of the state's population, reside within transit agency boundaries.

Transit systems provide two primary functions--mobility and congestion relief. Systems in urban areas provide both functions, increasing mobility and reducing congestion in key corridors and at major employment and activity centers. Systems in less urbanized areas focus primarily on providing mobility. Approximately 23% of transit system service hours are dedicated to serving persons with special needs.

Transit agencies range in size from King County Metro to rural agencies such as those serving Garfield, Grant, and Pacific counties. In 2003, transit provided about 164 million trips.

### Transit Agency Passenger Trips

| Transit Agency                        | Number of<br>Passenger<br>Trips in 2003 | Percent of<br>Total<br>Trips |
|---------------------------------------|---|------------------------------|
| King County Metro Transit             | 96,350,549                              | 58.8%                        |
| Pierce Transit                        | 13,746,477                              | 8.4%                         |
| Community Transit                     | 8,442,089                               | 5.2%                         |
| Spokane Transit Authority             | 7,959,216                               | 4.9%                         |
| *Sound Transit                        | 7,399,914                               | 4.5%                         |
| C-TRAN                                | 6,868,598                               | 4.2%                         |
| Kitsap Transit                        | 4,491,382                               | 2.7%                         |
| Ben Franklin Transit                  | 3,282,602                               | 2.0%                         |
| Whatcom Transportation Authority      | 3,194,837                               | 1.9%                         |
| Intercity Transit                     | 2,692,270                               | 1.6%                         |
| Everett Transit                       | 2,005,505                               | 1.2%                         |
| Grays Harbor                          | 1,183,710                               | 0.7%                         |
| Yakima Transit                        | 1,099,358                               | 0.7%                         |
| Pullman Transit                       | 937,085                                 | 0.6%                         |
| Island Transit                        | 784,482                                 | 0.5%                         |
| Clallam Transit System                | 768,759                                 | 0.5%                         |
| Link Transit                          | 501,066                                 | 0.3%                         |
| Valley Transit                        | 481,729                                 | 0.3%                         |
| Cowlitz Transit Authority             | 366,671                                 | 0.2%                         |
| Mason County Transportation Authority | 306,949                                 | 0.2%                         |
| Skagit Transit                        | 267,460                                 | 0.2%                         |

|                                       |         |      |
|---------------------------------------|---------|------|
| Twin Transit                          | 258,840 | 0.2% |
| Jefferson Transit Authority           | 233,463 | 0.1% |
| Pacific Transit                       | 121,221 | 0.1% |
| Grant Transit                         | 113,839 | 0.1% |
| Garfield County Public Transportation | 8,052   | 0.0% |

*\* Although lower in ridership, Sound Transit has the second largest transit agency budget in the state. Its budget significantly increases as major capital projects progress. Sound Transit currently contracts for the operation of express bus and commuter rail service, and operates the Link light-rail service in Tacoma. Only a small portion of Sound Transit's budget is for operation, the majority of expenditures are for capital investment in commuter rail facilities, constructing a 14-mile light-rail line between downtown Seattle and the SeaTac airport, and direct-access ramps connecting transit centers and park-and-ride lots with HOV lanes.*

### Funding

In 2003, statewide revenue totals for transit agencies were almost \$1.6 billion. Revenue sources include voter approved local option taxes, fare revenues, federal and state grants, and miscellaneous revenues such as advertising. Historically, the state played a major role in funding transit service through the motor vehicle excise tax (MVET). In 1998, the MVET provided \$250 million, or one-quarter, of transit agencies' funds. In the wake of the passage of Initiative 695, the Legislature eliminated the state MVET beginning in 2000, significantly decreasing the state's role in financing transit services.

Local transit agencies have replaced MVET revenues primarily with increased local sales tax rates. RCW 82.14.045 authorizes public transportation systems to impose a sales tax no greater than 0.9%. All but three transit agencies rely almost exclusively on the sales tax for funding.

| <b>Source of Transit Revenues</b> | <b>2003 Revenues</b>     | <b>% of Total Revenue</b> |
|-----------------------------------|--------------------------|---------------------------|
| Sales Tax                         | \$765.8 Million          | 48%                       |
| Transit Fares                     | \$119.7 Million          | 7%                        |
| Other Revenues                    | \$131.4 Million          | 8%                        |
| MVET (Sound Transit)              | \$61.2 Million           | 4%                        |
| Federal Operating                 | \$42.4 Million           | 3%                        |
| Vanpooling Revenue                | \$9.7 Million            | 1%                        |
| State Operating                   | \$3.2 Million            | 0.2%                      |
| Sound Transit Capital             | \$338.3 Million          | 21%                       |
| Federal and State Capital         | \$124.2 Million          | 8%                        |
| <b>Total</b>                      | <b>\$1,595.8 Million</b> |                           |

State law continues to authorize a MVET for the Seattle Monorail, its exclusive funding tax source. Sound Transit collects a local sales tax and continues to collect the MVET, subject to court-imposed restrictions.

Fare revenues cover only a portion of operating costs, ranging from 46% for Pullman Transit to 0% for Island Transit, a fare-free system. The statewide average is about 12%.

Federal funds go directly to larger transit systems, primarily for capital grants, and to small systems through programs administered by the Washington State Department of Transportation.

For the 2003-05 biennium, annual state funding to transit agencies increased to about \$15 million, with funds going to special needs transit, rural transit grants, and vanpools. Even with this increase, this funding amounts to just over 1% of total annual transit revenues. However, state funds do represent over 10% of revenues for some small rural systems.

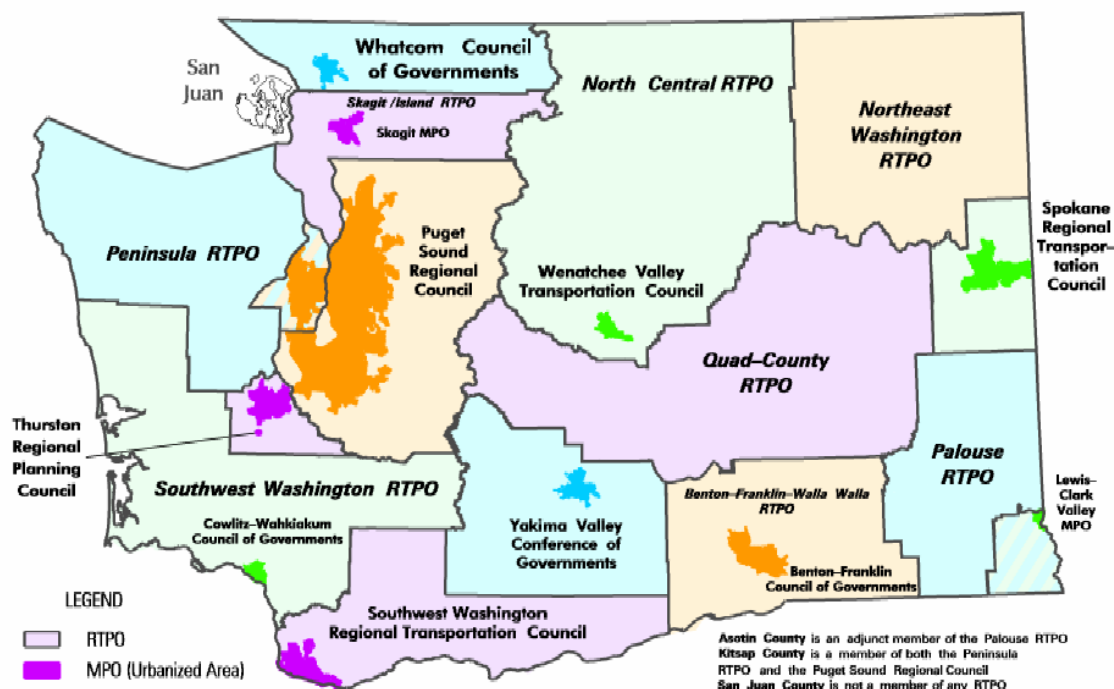
*All transit system numbers are from the 2003 annual transit system report published by the Department of Transportation.*

## Planning Organizations--MPOs and RTPOs

Federal law requires that metropolitan areas with a population greater than 50,000 have a Metropolitan Planning Organization (MPO) in order to receive federal highway and transit funds. This designation is made by the Governor and must have the concurrence of local government officials. There are currently nine MPOs in Washington, with two more being formed following the 2000 census.

Federal law requires MPOs to develop a 20-year metropolitan transportation plan and a three-year financially constrained transportation improvement program. Projects eligible for federal funds must be included in a MPO transportation improvement program. Federal law also requires MPOs to have a transportation policy board to include local elected officials, officials of agencies that administer or operate major transportation modes or systems, and appropriate state officials.

In order to ensure local and regional coordination, state law authorizes the voluntary association of governments for transportation planning purposes in the form of Regional Transportation Planning Organizations (RTPOs). The federally-mandated MPOs are designated as the RTPOs under the State's 1990 Growth Management Act. State requirements for regional transportation planning largely mirror federal requirements, and also require that the transportation elements of local plans conform with the Growth Management Act and are consistent with the regional transportation plan. There are currently 14 RTPOs, which include all of the state's counties except San Juan.





# APPENDIX A

## 2003-05 Transportation Budget Appropriations (\$ in thousands)

|                                       |                  |
|---------------------------------------|------------------|
| <b>Department of Transportation</b>   | <b>3,717,491</b> |
| Information Technology                | 68,800           |
| Hwy Mgmt & Facilities                 | 30,981           |
| Plant Construction & Supv             | 17,186           |
| Aviation                              | 8,017            |
| Pgm Delivery Management & Support     | 49,456           |
| Improvements - Mobility               | 722,746          |
| Improvements - Safety                 | 146,951          |
| Improvements - Economic Initiatives   | 109,180          |
| Improvements - Environmental Retrofit | 20,638           |
| Tacoma Narrows Bridge                 | 603,992          |
| Transpo Economic Partnerships         | 1,011            |
| Highway Maintenance                   | 289,670          |
| Preservation - Roadway                | 250,814          |
| Preservation - Structures             | 398,917          |
| Preservation - Other Facilities       | 82,041           |
| Traffic Operations                    | 39,049           |
| Traffic Operations - Capital          | 29,198           |
| Transportation Management             | 27,281           |
| Transpo Plannning, Data & Research    | 47,829           |
| Charges from Other Agencies           | 54,738           |
| Public Transportation                 | 49,786           |
| WA State Ferries-Capital              | 197,590          |
| WA State Ferries-Operating            | 317,610          |
| Rail - Operating                      | 34,118           |
| Rail - Capital                        | 56,475           |
| Local Programs-Operating              | 9,636            |
| Local Programs-Capital                | 53,781           |
| <b>Washington State Patrol</b>        | <b>254,864</b>   |
| Field Operations Bureau               | 181,570          |
| Technical Services Bureau             | 71,089           |
| Capital                               | 2,205            |
| <b>Department of Licensing</b>        | <b>189,163</b>   |
| Management & Support Services         | 13,053           |
| Information Systems                   | 19,428           |
| Vehicle Services                      | 66,462           |
| Driver Services                       | 90,220           |
| Legislative Transportation Comm       | 2,374            |
| Special Approps to the Governor       | 3,300            |
| Board of Pilotage Commissioners       | 344              |
| Utilities and Transportation Comm     | 293              |
| WA Traffic Safety Commission          | 20,820           |
| County Road Administration Board      | 94,191           |
| Transportation Improvement Board      | 200,651          |
| Marine Employees' Commission          | 365              |
| Transportation Commission             | 813              |
| Freight Mobility Strategic Invest     | 625              |
| State Parks and Recreation Comm       | 972              |
| Department of Agriculture             | 315              |
| Compensation Adjust                   | -4,855           |
| <b>Total Appropriation</b>            | <b>4,481,726</b> |
| Bond Retirement and Interest          | 344,743          |
| <b>Total</b>                          | <b>4,826,469</b> |

# APPENDIX B

## 2003-05 Transportation Budget Appropriations by Agency/ Program

### Operating vs. Capital (\$ in thousands)

| Operating                             |                    | Capital                                     |                    |
|---------------------------------------|--------------------|---|--------------------|
| <b>Department of Transportation</b>   | <b>1,027,982</b>   | <b>Department of Transportation</b>         | <b>2,689,509</b>   |
| Information Technology                | 68,800             | Plant Construction & Supv                   | 17,186             |
| Hwy Mgmt & Facilities                 | 30,981             | Improvements - Mobility                     | 722,746            |
| Aviation                              | 8,017              | Improvements - Safety                       | 146,951            |
| Pgm Delivery Management & Support     | 49,456             | Improvements - Economic Initiatives         | 109,180            |
| Transpo Economic Partnerships         | 1,011              | Improvements - Environmental Retrofit       | 20,638             |
| Highway Maintenance                   | 289,670            | Tacoma Narrows Bridge                       | 603,992            |
| Traffic Operations                    | 39,049             | Preservation - Roadway                      | 250,814            |
| Transportation Management             | 27,281             | Preservation - Structures                   | 398,917            |
| Transpo Plannng, Data & Research      | 47,829             | Preservation - Other Facilities             | 82,041             |
| Charges from Other Agencies           | 54,738             | Traffic Operations - Capital                | 29,198             |
| Public Transportation                 | 49,786             | WA State Ferries-Capital                    | 197,590            |
| WA State Ferries-Operating            | 317,610            | Rail - Capital                              | 56,475             |
| Rail - Operating                      | 34,118             | Local Programs-Capital                      | 53,781             |
| Local Programs-Operating              | 9,636              |   |                    |
| <br><b>Washington State Patrol</b>    | <br><b>252,659</b> | <br><b>Washington State Patrol</b>          | <br><b>2,205</b>   |
| Field Operations Bureau               | 181,570            | Capital                                     | 2,205              |
| Technical Services Bureau             | 71,089             |   |                    |
|                                       |                    | <b>County Road Administration Board</b>     | <b>90,769</b>      |
| <br><b>Department of Licensing</b>    | <br><b>189,163</b> | <br><b>Transportation Improvement Board</b> | <br><b>197,416</b> |
| Management & Support Services         | 13,053             |   |                    |
| Information Systems                   | 19,428             |   |                    |
| Vehicle Services                      | 66,462             |   |                    |
| Driver Services                       | 90,220             |   |                    |
| Legislative Transportation Comm       | 2,374              |   |                    |
| Special Approps to the Governor       | 3,300              |   |                    |
| Board of Pilotage Commissioners       | 344                |   |                    |
| Utilities and Transportation Comm     | 293                |   |                    |
| WA Traffic Safety Commission          | 20,820             |   |                    |
| County Road Administration Board      | 3,422              |   |                    |
| Transportation Improvement Board      | 3,235              |   |                    |
| Marine Employees' Commission          | 365                |   |                    |
| Transportation Commission             | 813                |   |                    |
| Freight Mobility Strategic Invest     | 625                | <b>Total Agency Capital Appropriations</b>  | <b>\$2,979,889</b> |
| State Parks and Recreation Comm       | 972                |   |                    |
| Department of Agriculture             | 315                |   |                    |
| Compensation Adjust                   | -4,855             | <b>Bond Retirement and Interest</b>         | <b>344,743</b>     |
| <b>Total Operating Appropriations</b> | <b>\$1,501,827</b> | <b>Total Capital Appropriations</b>         | <b>\$3,324,642</b> |

# APPENDIX C

## Transportation Agency Descriptions

### WASHINGTON STATE DEPARTMENT OF TRANSPORTATION

2003-05 budget:

Operating - \$1.03 billion

Capital - \$2.69 billion

Total agency budget - \$3.72 billion

The Washington State Department of Transportation (WSDOT) was created in 1977 when six entities--including the Department of Highways--were combined into a single agency. The Secretary of the Department is appointed and guided by the seven-member Washington State Transportation Commission.

The Transportation Commission, in coordination with public and private transportation agencies and organizations, proposes policies and funding mechanisms to promote an inter-modal and inter-connected transportation system throughout Washington. The Commission appoints the Secretary and provides policy oversight to WSDOT; develops long-range plans for each form of transportation; oversees the operational plans for highways, ferries, and intercity passenger rail; and works with federal, state, and local officials to develop partnerships and remove barriers to achieve the state's transportation goals.

WSDOT is responsible for the development and maintenance of the statewide transportation system. The Department manages state-owned facilities including state, interstate, and other highways that are part of our national highway system; the Washington State Ferries; and state-owned airports. The Department also performs planning and administrative functions that affect public transportation, freight rail, intercity passenger rail, marine ports, and aviation.

The Department oversees approximately 7,000 miles of state highways, 29 ferries, 20 ferry terminals, and 16 state-owned airports. The department also has some responsibility for other transportation modes such as passenger and freight rail, public transportation, and pedestrian and bicyclist movement on and over the state highway system.

WSDOT is composed of the following programs:

#### Highway Construction – Improvements

2003-05 capital budget - \$1.6 billion, 59.6% of agency capital budget

The Highway Construction – Improvement Program is responsible for the design, right-of-way, and construction of the following types of projects:

- **Mobility Improvements:** Projects that improve the capacity of and mobility on the state highway system. Mobility improvements increase a highway's ability to carry more motor vehicles, with the long-term goal of reducing congestion. Examples include constructing carpool lanes and mitigating congestion on urban highways in cooperation with local and regional jurisdictions.
- **Safety Improvements:** Projects that improve the state highway system where accidents have occurred. Examples include realigning curves, adding signals, and installing guardrails.
- **Economic Initiative Improvements:** Projects that improve the state highway system by focusing on the efficiency of moving freight and goods. Examples of projects include fixing highways where travel is restricted because of freeze-thaw closures, upgrading pavements to all-weather road status, constructing new rest areas, correcting bridges and overpasses that have height or weight restrictions, and widening highway shoulders.
- **Environmental Retrofit Improvements:** Projects that improve the state highway system by correcting or reducing the impact of transportation facilities on the environment. Examples include fixing culverts under highways to improve fish passage, rebuilding structures that discharge storm water, and reducing the public's exposure to noise by constructing walls along highways.
- **Tacoma Narrows Bridge:** The construction of a second bridge across the Tacoma Narrows, building toll facilities, and improving safety, capacity, and mobility on both sides of the bridges.

### Highway Maintenance

2003-05 operating budget - \$289.7 million, 28.2% of agency operating budget

The Highway Maintenance program maintains the state highway system through two primary sub-programs.

- **Maintenance on the state highway system:** This sub-program's objective is to maintain the highway infrastructure in good working order and to keep people and goods moving through inclement weather and natural disasters. It accomplishes this objective through:
  - Roadway maintenance, including pavement repair, crack and chip sealing, shoulder maintenance, sweeping and cleaning, and safety patrols.
  - Drainage maintenance and slope repair.
  - Roadside and landscape maintenance, including litter pickup, vegetation control, and landscape maintenance.
  - Bridge and tunnel structural repair and cleaning, operation of moveable bridges, operating the Keller Ferry, and urban tunnel maintenance.
  - Snow removal, sand application, de-icing, and avalanche control.
  - Traffic control including pavement striping, maintenance of raised pavement markers, sign and guidepost repair/replacement, guardrail maintenance, traffic signal system operation, highway lighting maintenance, driver information system operation, and issuance of oversize and overweight permits.
  - Rest area cleaning and maintenance.

- Training employees on technical and safety issues and administering mandated personnel drug and alcohol testing.
- Activities necessary to keep highways operational and functional during disasters such as floods, fires, slides, and damage repair due to vehicle accidents.
- The Inventory/Stores Administration sub-program handles acquisition and administration of the goods used in highway maintenance, including signs, traffic signal parts, illumination parts, engineering supplies, pits, and processed mineral aggregates.

### Highway Construction – Preservation

2003-05 capital budget - \$731.8 million, 27.2% of agency capital budget

The preservation program preserves the integrity of the highway road system and its structures and facilities. The program is broken down into the following areas:

- Road preservation -- Repairs, paves, and re-stripes state-owned highways and restores safety features.
- Structure preservation -- Repairs and replaces bridges, tunnels, and overpasses on state-owned highways.
- Other facilities preservation -- Rebuilds and remodels rest areas, constructs truck weigh stations, and stabilizes slopes near highways.

### Traffic Operations

2003-05 operating budget - \$39.0 million, 3.8% of agency operating budget

2003-05 capital budget - \$29.2 million, 1.1% of agency capital budget

This program uses traffic control devices and regulatory traffic measures to maximize highway capacity and safety. Traffic operations' functions are:

- Freeway operations, including activities controlled by traffic management centers such as electronic freeway monitoring and driver information system operations, radio operations, tunnel operations, and HOV lane operations.
- Constituent inquiries, including investigation, review, solution identification, documentation, and response to public requests for information and/or modifications to traffic signals, signs, pavement markings, and other operational aspects of the state highway system.
- Traffic signal operations, including signal timing development and implementation, field reviews, needs identification and prioritization, and improvements to existing signals.
- Traffic regulation operations, including setting traffic regulations (such as speed limits within federal and state statutory guidelines), traffic policy development and implementation, new product evaluation, product procurement, and internal agency training regarding traffic control devices.

- Incident response functions, including both roving and specific requests for emergency services coordination and traffic control assistance.

### Public Transportation

2003-05 operating budget - \$49.8 million, 4.8% of agency operating budget

This program provides public transportation and trip reduction efforts throughout the state. Public Transportation is divided into the following categories:

- Administration and policy formulation for the Public Transportation and Rail Programs.
- Public Transportation, which provides planning and technical assistance to public and private transit providers, and administers state and federal grants to public and private transportation agencies that serve rural communities, the elderly, and persons with disabilities.
- Rural Mobility Grant Program, which administers state grants to public and private transportation agencies that serve rural communities.
- Staff support for the Agency Council on Coordinated Transportation, which is responsible for providing guidance, standards, and reporting requirements for the coordination of special needs transportation. The Council also administers state grants to local agencies for planning and demonstration projects.
- Transportation Demand Management, which provides technical assistance, coordination, trip reduction strategies, and educational materials to the public, WSDOT regional offices, local and regional governments, and public transportation providers.
- Statewide Commute Trip Reduction program, which distributes funds to local jurisdictions for efforts to reduce single occupant vehicle use.

### Washington State Ferries – Capital Construction

2003-05 capital budget - \$197.6 million, 7.3% of agency capital budget

The Washington State Ferries Capital Construction program consists of three sub-programs:

- Terminals, which constructs new ferry terminals and preserves or enhances existing terminals.
- Vessels, which constructs new vessels and preserves or enhances existing vessels.
- Emergency Repairs, which provides repairs needed to minimize service disruptions due to unforeseeable events.

## Washington State Ferries – Operating

2003-05 operating budget - \$317.6 million, 30.9% of agency operating budget

The Washington State Ferries operating program operates and maintains ferry vessels and terminals. The system links eight Washington counties and one Canadian province through ten routes served by 29 vessels. The system averages 480 departures and 74,000 passengers per day. Average summer peak ridership is nearly 85,000 passengers per day. In fiscal year 2004, Washington state ferries transported 10.9 million vehicles and 24.4 million riders.

The Ferries Operating Program consists of:

- Daily Operations of Terminals and Vessels, which funds daily operating costs associated with the established service schedule and hours. This sub-program provides labor, fuel, vessel materials and parts, terminal agents, and operations and management support for vessels and terminals. Daily Operations funds revenue collection and traffic control costs.
- Maintenance of Terminals and Vessels, which provides funding for routine asset maintenance and inspection and contracted maintenance for major needs. Routine vessel maintenance is done at a dedicated facility at Eagle Harbor. Large vessel maintenance and associated dry-docking are performed at commercial shipyards around Puget Sound.
- Executive and Administrative Support, which provides funding for the general executive and administrative costs associated with the state ferry system.

## Rail – Operating

2003-05 operating budget - \$34.1 million, 3.3% of agency operating budget

The Rail Operating Program manages, coordinates, and supports passenger and freight rail in cooperation with AMTRAK and other rail lines. Rail operating has two sub-programs:

- Freight Rail Operations, which develops and maintains the state's freight rail plan. This plan analyzes conditions, trends, light density rail issues, and potential needs of the freight rail system in the state.
- Passenger Rail Operations, which plans and implements passenger service. These services include funding support for operation of the state-sponsored rail passenger service between Vancouver, British Columbia, and Portland. Also included are the costs of maintaining the trains used on the state sponsored intercity rail operations.

## Rail – Capital

2003-05 capital budget - \$56.5 million, 2.1% of agency capital budget

The Rail Capital Program maintains the state's interest and investment in statewide rail infrastructure. Rail Capital has two sub-programs:

- Passenger Rail Capital, which invests in the capital components of the passenger rail program, including track system improvements and passenger train equipment.
- Freight Rail Capital, which provides financial assistance to light density freight rail systems (e.g. short-line rail operators and systems) to preserve local freight rail service to communities throughout the state.

### Aviation

2003-05 operating budget - \$8.0 million, 0.8% of agency operating budget

The aviation program provides a variety of aviation services, including search and rescue operations, technical and financial aid to local public use airports, pilot and aircraft registration, management of the 16 state-owned or operated airports, and assisting local governments, the aviation community, and the general public in complying with federal and state aviation regulations.

- Aviation Management: Aviation management provides oversight for all state governmental aviation activities, enforcement of aviation laws in coordination with the Federal Aviation Administration (FAA), and coordination of aviation efforts under the Growth Management Act. These activities include registering general aviation aircraft and resident pilots, licensing aircraft dealers in Washington, and inspecting local public use airports.
- Local Airport Aid: This program administers state grants and technical assistance to municipalities for construction, improvement, and repair of local public use airports that are ineligible or not likely to receive federal funding.
- State Airport Construction and Maintenance: Funding is provided for the preservation, maintenance, and improvements to state-owned or operated airports. These airports are maintained for emergency purposes or recreational flying, and are in the more remote areas of the state.
- Search and Rescue: The aviation program provides coordination for and participates in aviation search and rescue missions to locate overdue and missing aircraft. This program also offers volunteer search and rescue force educational classes and seminars.
- Aviation Planning: The Washington State Aviation System Plan identifies the characteristics and needs of Washington's airports, including inventory, forecasting, economic analyses, pavement management, land use compatibility, capacity needs, and navigational improvements.

### Transportation Planning, Data and Research

2003-05 operating budget - \$47.8 million, 4.7% of agency operating budget

This program provides the management, coordination, and support of multimodal transportation planning, data, and research. Sub-programs are:



- **Planning Management and Support:** Provides oversight of agency planning functions including the preparation of the Work Program, a federally required planning activity.
- **Pass-Through Funds Program:** This sub-program facilitates the federal and state “pass-through” funds for Metropolitan Planning Organizations (MPOs) and Regional Transportation Planning Organizations (RTPOs). Appropriated state funds are provided for support of RTPOs. Federal funds are distributed to MPOs and are processed through the Miscellaneous Transportation Programs Account, a non-budgeted and non-appropriated fund.
- **Planning, Data, and Research, which provides the following services:**
  - **Planning** – Includes policy development and planning studies, policies and procedures for statewide transportation planning, developing Washington’s Transportation Plan, developing the Washington State Highway System Plan, providing technical assistance to WSDOT regions and regional planning organizations, and administering metropolitan and regional transportation planning funds and programs in accordance with state law and federal regulations.
  - **Strategic Assessment** – Agency strategic performance planning and accountability, including Washington’s Transportation Plan (the agency’s 20-year vision for state-owned and state-interest modes of transportation). Performance reporting is communicated to the legislature, the Governor, stakeholders, and the public.
  - **Data** – Includes the collection, processing, and analysis of roadway, traffic, and collision data. This data is the basis for federally required reporting, management systems, program development, and project analysis and design. The data is also used for speed studies, assessment of development impacts, safety program development, tort defense, and policy decisions.
  - **Research** – This sub-program uses research products and information to improve project delivery, design, operations, and maintenance efficiency, and addresses other modal transportation system improvements.
  - **Geographic Services** – Includes aerial photography, global positioning system survey, and cartography. These activities support engineering and planning functions.

### Local Programs

2003-05 operating budget - \$9.6 million, 0.9% of agency operating budget

2003-05 capital budget - \$53.8 million, 2.0% of agency capital budget

This program provides federal oversight and financial support to local agencies including cities, counties, ports, transit agencies, tribal governments, and other transportation partners. This program also distributes federal funds for over 1,500 local agencies and transportation improvement projects both on and off the state highway system. The capital program also manages and administers state funded local agency grant programs.

Local Programs is divided into the following areas:

- Program Management, which provides oversight of 14 federally funded programs and 8 state funded grant programs. The sub-program develops guidelines and procedures for the preparation of the Statewide Transportation Improvement Program (STIP) and management of STIP amendments and financial feasibility. (STIP is an outline of WSDOT planned and programmed transportation projects developed by the state, and is required by the federal government to receive federal funding for transportation projects.)
- Operations, which provides federally delegated oversight on environmental, design, and construction activities on all federally funded projects across the state. Operations also works with local agencies to clarify rules on federally funded projects, and oversees the Bridge Inspection and Emergency Relief Programs.
- Regional Local Programs offices, located in each of the six WSDOT regions throughout the state, to manage federal and state funds and provide engineering guidance, counsel, and collaboration with local agencies and partners on transportation projects.
- Technical Assistance provides activity training and technical support to local agencies for transportation management systems, pavement technology, traffic/safety technology, geographic information systems, and global positioning systems.
- Bicycle and Pedestrian Administration provides program and policy oversight for sidewalks, bike lanes, trails, and transit rider crossing improvements and other non-motorized community connections. The sub-program also provides expertise on specific pedestrian and bicycle projects for WSDOT regions and for local agencies upon request, and coordinate training for local public works agencies and WSDOT regional staff.
- The Wahkiakum County Ferry Subsidy program provides the operating subsidy to reimburse Wahkiakum County for a portion of the operating and maintenance costs deficit, as required by RCW 47.56.720.

### Plant Construction

2003-05 capital budget - \$17.2 million, 0.6% of agency capital budget

This program manages and funds WSDOT facility site acquisition and design, construction of new facilities, and major capital improvements to existing facilities.

### Facilities Management

2003-05 operating budget - \$30.9 million, 3% of agency operating budget

WSDOT currently owns approximately 650 capital facilities buildings statewide, totaling approximately 2.4 million square feet. These facilities include office complexes located in the six designated transportation regions in the state and 133 maintenance facilities.

This program is responsible for maintenance, renovations, site environmental cleanup, code compliance requirements such as the Americans with Disabilities Act, oversight and management of utilities, custodial services, and other required services for Department facilities.

#### Transportation Management

2003-05 operating budget - \$27.3 million, 2.7% of agency operating budget

This program provides WSDOT's agency-wide executive management and support service functions. The two sub-programs are:

- Executive Management and Support, which consists of:
  - Executive Administration, which includes the Office of the Secretary and Chief of Staff, Engineering and Regional Operations Division Executive Management, and Northwest Washington Division Executive Management.
  - Audit Office.
  - Office of Equal Opportunity, which manages and monitors WSDOT's Equal Opportunity, Affirmative Action, and contract compliance programs.
  - Communications, which includes public information and media relations.
  - Governmental Liaison for the legislature, congress, and tribes.
  - Ombudsman, who investigates concerns on whether WSDOT's decision-making is reasonable, fair, and proper.
- Administration and Support, which includes Budget Services, Financial Planning, Accounting Services, Risk Management, and Human Resource Management.

#### Transportation Economic Partnerships

2003-05 operating budget - \$1.0 million, 0.1% of agency operating budget

The Transportation Economic Partnerships program assists Washington firms in resolving transportation issues. The program:

- Identifies WSDOT regions/divisions or other agencies with the appropriate authority to solve issues.
- Develops approaches to address public and private requirements.
- Provides annual reports on private and port investments made on the state's highway system.

#### Program Delivery Management and Support

2003-05 operating budget - \$49.5 million, 4.8% of agency operating budget

This program includes the management and administration of the highway construction program, as well as administration and oversight of the maintenance and operations programs. Staff is responsible for managing and coordinating the planning, design, and programming of highway construction projects. In addition, this program includes the administrative activities in each of the six regions, including human resources, safety, and financial functions.

### Information Technology Program

2003-05 operating budget - \$68.8 million, 6.7% of agency operating budget

This program provides information technology services for the WSDOT, including the acquisition and operation of hardware and software, and technical support for users. This program is also responsible for the development and maintenance of information systems that support WSDOT operations and program delivery.

### Charges from Other Agencies

2003-05 operating budget - \$54.7 million, 5.3% of agency operating budget

This program pays for central, statewide overhead activities whose costs are allocated to each agency. Examples are Archives and Records Management, State Auditor's Office services, Department of General Administration services, Department of Personnel services, Office of Minority and Women-Owned Business Enterprises services, Self-Insurance premiums, Attorney General services, and Risk Management

## WASHINGTON STATE PATROL

The Washington State Patrol (WSP) was created in 1933 in recognition of the need for a statewide mobile police organization. Today, WSP's primary roles are highway traffic enforcement, commercial vehicle enforcement, investigation services for law enforcement, managing the state's crime and toxicology labs, crime scene investigation and forensic services, and managing the state's centralized criminal records.

WSP's primary transportation activity is traffic law enforcement, conducted by approximately 700 commissioned officers. Areas of emphasis are speed, aggressive driving, DUI, vehicle equipment standards, traffic collision investigations, assistance to motorists, and ferry security.

WSP is funded by both operating and capital funds. Capital funds are spent on facilities such as detachment offices, crime labs, weigh stations, training facilities, and remodeling projects. If the facilities are transportation related, they are funded through the transportation budget.

WSP is composed of six bureaus and has approximately 1,050 commissioned officers and 1,300 non-commissioned staff. The agency's 2003-05 budget is:

Transportation funds - \$262.3 million (69% of agency budget)

Omnibus funds - \$117.7 million (31% of agency budget)

Total agency budget - \$380 million

### Field Operations Bureau

2003-05 Transportation operating budget - \$186.2 million

2003-05 Omnibus operating budget - \$ 1.4 million

2003-05 Total operating budget - \$187.6 million, 49.4% of agency budget

The WSP's Field Operations Bureau is the primary transportation division of the agency. Field Operations is responsible for traffic law enforcement, collision investigation, and motorist assists on over 17,500 miles of state and interstate highways. The Bureau is divided into eight districts.

Field Operations also oversees the Special Operations unit, which consists of the following:

- The Aviation Section assists troopers in detecting traffic violations. The section also provides assistance to agency staff and local jurisdictions with drug enforcement, aerial surveillance, and transporting donor organs and blood in medical emergencies.
- The Executive Services Section provides security for the Governor, the Governor's family, the Lieutenant Governor, and visiting dignitaries. The section is also responsible for law enforcement, visitor security, and parking enforcement on the capital campus.
- The Vessel and Terminal Security unit provides traffic control and law enforcement on state ferry routes.

### Investigative Services Bureau

2003-05 Omnibus operating budget - \$71.4, 18.8% of agency budget

The majority of Investigative Services Bureau is funded by General Fund Dollars.

Investigative Services consists of the following units:

- The Commercial Vehicle Enforcement program enforces state and federal commercial vehicle laws, operates weigh stations to ensure that trucks are loaded properly to minimize damage to roads, and inspects school buses and tow trucks.
- The Criminal Investigation Division offers the following services:
  - Investigation of vehicle homicide, vehicular assault, and felony hit-and-run collisions.
  - Investigation of auto theft.
  - Physical inspection of vehicles that have been rebuilt after being destroyed or declared a total loss by an insurance company. This unit also investigates vehicles without proper vehicle identification numbers (VINs) or with VIN discrepancies, and checks VINs against state and federal stolen vehicle databases.
  - The Fuel Tax Fraud unit works to educate the public and industry on fuel tax laws, investigates statewide fuel tax evasion, and pursues criminal and civil prosecution of fuel tax evaders.
  - Crime scene investigations at the request of a law enforcement agency.
- At the request of the State Auditor's Office, the Investigative Services Bureau conducts investigations regarding whistleblower complaints, and contracts with the Department of Social and Health Services for criminal investigations involving employees.
- The Evidence and Records Division oversees public records and policies regarding property and evidence handling.
- The Investigative Assistance Division consists of the Narcotics Section, Criminal Intelligence unit, Computer Forensics unit, Statewide Incident Response Team , Missing Children Clearinghouse, and Missing and Exploited Children Task Force.
- The Office of Professional Standards provides oversight for the agency's complaint and disciplinary procedures.

### Forensic Lab Services Bureau

2003-05 Omnibus operating budget - \$27.5, 7.2% of agency budget

Funded by General Fund dollars, Forensic Services oversees the state's four crime labs and the state's toxicology lab. The Bureau also has a Drug Evaluation and Classification Program, which identifies symptoms of intoxication for different categories of drugs and provides training to troopers and local law enforcement. Forensic Services manages all evidentiary breath-test instruments in the state and provides DUI data and expert witness testimony.

### Fire Protection Bureau

2003-05 operating budget - \$16.1, 4.2% of agency budget

The Fire Protection Bureau is responsible for emergency mobilization, fire code enforcement, and fire services training.

### Technical Services

2003-05 Transportation operating budget - \$73.9 million

2003-05 Omnibus operating budget - \$23.3 million

2003-05 Total operating budget - \$97.2 million, 25.6% of agency budget

The Technical Services Bureau includes Communications, Criminal Records, Electronic Services, Information Technology, Training, Budget and Fiscal Services, Human Resources, Property Management, and Strategic Planning and Performance.

### Capital Program

2003-05 Transportation budget - \$ 2.2 million

2003-05 Capital budget - \$21.6 million

2003-05 Total budget - \$23.8 million, 6.2% of agency budget

The Capital Program provides funding for repairs and maintenance to existing facilities and for new facilities.

## DEPARTMENT OF LICENSING

Created in 1921, the Department of Licensing (DOL) licenses and regulates drivers, vehicles, businesses, and professions. DOL is the second largest revenue producing agency in the state. Approximately 80% of the agency is transportation related.

DOL's primary transportation activities are licensing drivers, registering vehicles and vessels, licensing commercial drivers, providing motorcycle training and endorsements, issuing fuel tax licenses and collecting the state's fuel taxes, and licensing and regulating vehicle manufactures, dealers, wreckers, transporters, and scrap haulers.

The agency's non-transportation activities include administering the state's master licensing service program and licensing and regulating various professions.

DOL is composed of five divisions and has approximately 1,250 employees. The agency's 2003-05 budget is:

|                                   |                       |
|-----------------------------------|-----------------------|
| Transportation funds -            | \$189.2 million       |
| <u>Non-transportation funds -</u> | <u>\$35.5 million</u> |
| Total agency budget -             | \$224.7 million       |

### Driver Services Division

2003-05 budget - \$90.2 million, 40% of agency budget

The Driver Services Division's primary customer base is the state's 4.5 million licensed drivers and 400,000 identification card holders. Driver Services also provides services and information to courts, law enforcement agencies, local governments, the federal government, and private businesses. The division consists of the following programs:

- Driver Examining issues drivers licenses and renewals, motorcycle endorsements, commercial drivers licenses and endorsements, and identification cards at 66 Licensing Services Offices throughout the state. The unit also administers the motorcycle safety and commercial drivers license programs. In addition, Driver Examining licenses driver training schools and instructors, supports the organ donor program, registers voters through the federally mandated "motor voter" program, creates jury source lists, and collects social security numbers in support of child support enforcement.
- Driver Responsibility administers state laws and rules that affect the status of a person's driving privilege, such as DUIs, habitual traffic offenders, and financial responsibility (uninsured motorists). The unit maintains drivers' records. Driver Responsibility identifies potentially unsafe drivers by screening records and processing citations, accident reports, failures to appear, and medical/visual reports, and provides documentation to courts.
- The Hearings and Interviews unit administers state laws that provide drivers the right to an interview and/or hearing before an administrative suspension,



revocation, or restriction of their driving privilege. Staff conduct interviews and preside over administrative hearings.

- Driver Services Special Investigations investigates reports of suspected fraud or identity theft and assists law enforcement and other agencies in criminal investigations.

### Vehicle Services Division

2003-05 budget - \$66.46 million, 30% of agency budget

The Vehicle Services Division's primary responsibility is the titling and registration of more than 6 million vehicles and 260,000 vessels through 181 county offices and sub-agents throughout the state. The division oversees the following programs:

- Title and Registration Services performs the following functions:
  - Issues titles, registrations, license plates, and tabs for vehicles, motorcycles, trailers, mobile homes, motor homes, commercial trucks, snowmobiles, off-road vehicles, mopeds, and vessels.
  - Collects over \$675 million a biennium in licensing and titling fees.
  - Issues personalized license plates, special plates, and plates for persons with disabilities.
  - Calculates and collects fees and taxes, including the voter-approved Regional Transportation Authority and Seattle Monorail Project taxes and the state excise and use tax on vehicle sales.
- Dealer and Manufacturer Services licenses the state's 6,500 vehicle dealers; vehicle manufacturers; wreckers; tow truck operators; motor vehicle transporters; and snowmobile, off-road vehicle, mobile home, travel trailer, and vessel dealers. The unit also enforces laws relating to odometer tampering and auto theft.
- Prorate and Fuel Tax performs the following functions:
  - Collects and distributes over \$1.9 billion per biennium in gasoline, diesel, and aircraft fuel taxes and interstate commercial vehicle registration fees.
  - Licenses and bonds fuel suppliers, importers, exporters, blenders, distributors, and various users.
  - Administers two international agreements--the International Registration Plan (IRP) and the International Fuel Tax Agreement (IFTA). These two agreements provide for a one-stop vehicle licensing and fuel tax filing services for Washington-based interstate motor carriers.
  - Conducts about 400 field audits annually to ensure compliance with prorate and fuel tax statutes.
  - Conducts criminal and civil investigations of suspected fuel tax evasion.
  - Provides fuel tax data such as taxable gallons, tax exempt gallons, and dollars collected to the Department of Transportation for revenue forecasting.

### Business and Professions Division

2003-05 division budget - \$28.3 million, 12.6% of agency budget

Funded by omnibus dollars, this division licenses and regulates more than 30 different professions and administers the state's master licensing service program.

### Management and Support Services Division

2003-05 transportation budget - \$13.05 million

2003-05 omnibus budget - \$4.85 million

2003-05 total division budget - \$17.9 million, 7.9% of agency budget

This division provides services to the agency's three direct customer service divisions, including facilities management, payroll, mail services, contracting, public disclosure, personnel, supply, budget, communications, legislative relations, and internal audit and review. The director and deputy director's offices are included within this program. This division provides services to the agency's transportation and non-transportation divisions, and is funded by both omnibus and transportation dollars.

### Information Services Division

2003-05 transportation budget - \$19.4 million

2003-05 omnibus budget - \$2.35 million

2003-05 total division budget - \$21.75 million, 9.7% of agency budget

This division develops and maintains the agencies' computer hardware and software, networks, internet, and business application software. Information Services maintains several interfaces to other systems outside DOL, including law enforcement agencies, other state agencies, and courts. This division is funded by both omnibus and transportation dollars, since it provides services to the agency's transportation and non-transportation divisions.

## **TRAFFIC SAFETY COMMISSION**

2003-05 budget - \$20.82 million

The Washington Traffic Safety Commission (WTSC) was created in 1968 as mandated by the Federal Highway Safety Act. The Commission has ten members and is chaired by the Governor. The agency administers federal funds dedicated to traffic safety programs.

WTSC implements programs to reduce traffic crashes and traffic-related injuries and deaths. The agency coordinates traffic safety programs at the state and local level and establishes standards for investigating and reporting traffic accidents. WTSC administers programs and distributes grants in the following areas: impaired driving, community DUI and traffic safety, occupant protection (seat belts and child safety seats), police traffic services, traffic records and research, corridor safety, youth and college programs, pedestrian, bicycle and motorcycle safety, and school zone and pupil transportation safety.

## **TRANSPORTATION IMPROVEMENT BOARD**

2003-05 budget - \$200.6 million (\$197.4 million capital and \$3.2 million operating)

The Transportation Improvement Board (TIB) was created in 1988, replacing the Urban Arterial Board. TIB's primary purpose is to administer grant programs for local government transportation projects. Projects are funded with state dollars in combination with local matching funds and private sector contributions.

Grants are awarded in seven categories according to criteria established by a board of 21 members. These members include three elected county officials, three elected city officials, two city engineers, one city planner, one county engineer, the Director of the County Road Administration Board, one county planner, one Governor appointee, two Washington State transportation representatives, two transit representatives, one private sector representative, one non-motorized interests member, one special needs transportation member, and one ports member.

## COUNTY ROAD ADMINISTRATION BOARD

2003-05 budget - \$200.6 million (\$197.4 million capital and \$3.2 million operating)

The County Road Administration Board (CRAB) was created in 1965 to regulate the 39 county road departments. CRAB monitors counties' "standards of good practice," which are developed by CRAB's nine-member board. The board, appointed by the Washington State Association of Counties, is comprised of six county commissioners/council-members and three county engineers.

CRAB distributes the counties' portion of the state Motor Vehicle Fuel Tax. The formula for the distribution of fuel tax revenues is updated biennially to reflect statewide changes in population, costs, and mileage. The agency also provides transportation data and research to the Washington Association of County Engineers and the Washington State Association of Counties.

CRAB administers two grant programs:

- The Rural Arterial Program (RAP) was created by the Legislature in 1983 for the reconstruction of rural arterial roads and bridges. Funds come from .58 cents of the state's fuel tax. Counties apply for funds every two years within their respective region (five regions total), based on rural land area and the number of miles of eligible roads. Most RAP projects involve rehabilitation and reconstruction of existing roads and bridges to current and safer design standards.
- The County Arterial Preservation Program (CAPP) is dedicated to the preservation of paved county arterials. CAPP is funded with .45 cent of the state's fuel tax. Funds are allocated directly to the counties and monitored by CRAB. In order to retain their eligibility for CAPP funds, counties are required to use a pavement management system to assist in project selection. This system produces an evaluation of the pavement condition of the county's road network.

## BOARD OF PILOTAGE COMMISSIONERS

2003-05 budget - \$345,000

The Board of Pilotage Commissioners, housed within the Department of Transportation, is a nine-member regulatory board appointed by the Governor. The Board trains, tests, licenses, and regulates marine pilots in order to protect lives and property, maintain a safe marine environment, and maintain and develop waterborne commerce. The Board annually sets tariffs for pilotage services. The Board may take disciplinary action against pilots and/or vessel owners who violate state pilotage laws.

## **FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD**

2003-05 budget - \$625,000

The Freight Mobility Strategic Investment Board (FMSIB) was created in 1998 to advocate for freight mobility needs. The twelve-member board, consisting of representatives from the private and public sectors, is charged with developing a comprehensive and coordinated state program to facilitate freight movement within the state, and enhancing trade opportunities among local, national, and international markets. FMSIB is responsible for selecting, prioritizing, and creating funding partnerships for freight transportation projects, and minimizing the impact of freight movement on local communities.

## **MARINE EMPLOYEES COMMISSION**

2003-05 budget - \$325,000

The Marine Employees Commission was created in its present form in 1983. The three-member commission is responsible for adjudicating complaints, grievances, and disputes between Washington State Ferries employees and management. The Commission's services include mediation, selection of impartial arbitrators, investigation of charges of unfair labor practices, clarification of bargaining units, certification of fair representation organizations, biennial salary surveys, and determination if labor agreements or arbitration orders exceed statutory limitations.

## **APPENDIX D**

### **Non-Transportation Agencies that Receive Transportation Dollars**

#### **DEPARTMENT OF AGRICULTURE**

The Department of Agriculture has one program that receives transportation funding--the state's Motor Fuel Quality Program. This program regulates the use and accuracy of all commercial motor fuel weighing, measuring, and counting devices in the state, including gas pumps, vehicle tank meters, and liquid petroleum measuring devices. The program also monitors motor fuel quality.

#### **STATE PARKS AND RECREATION COMMISSION**

The State Parks and Recreation Commission receives a small amount of transportation funding for ditch clearing/pothole filling around the park system, maintenance of ocean beach approach roads, and snow plowing at Mt. Spokane. Some capital roadway projects have been funded by transportation dollars, within certain guidelines.

#### **UTILITIES AND TRANSPORTATION COMMISSION**

The Utilities and Transportation Commission (UTC) administers one program funded by the state's transportation budget--the Grade Crossing Protective Account. This account provides funds for the installation or upgrade of signals or other warning devices at railroad crossings and for general rail safety projects that pose a high risk to public safety (such as pedestrian trespass prevention). Local jurisdictions or private rail companies may request funds. Projects up to \$20,000 have no dollar match requirement, while projects over \$20,000 must have a 30% match from the local jurisdiction and a 10% match from the railroad.

# **APPENDIX E**

## **Legislative Transportations Agencies**

### **LEGISLATIVE TRANSPORTATION COMMITTEE**

The Legislative Transportation Committee (LTC) operates as a bipartisan legislative agency. Through oversight, research, and outreach, LTC develops and recommends options regarding transportation funding, proposed legislation, new programs, or changes to existing programs. The LTC is a joint committee of the House and Senate comprised of 24 members, equally divided by chamber and by party, with the chair alternating between the House and Senate on a biennial basis.

As a joint committee, the LTC normally meets outside of the legislative session and does not conduct public hearings on proposed legislation or transportation budgets as do the House and Senate Transportation Committees. Rather, LTC's role in the legislative process is one of conducting studies and analyses on matters that are, or may be, before the standing transportation committees, including studies directed by law.

Committee members frequently participate in smaller workgroups that study transportation-related issues and subsequently report findings back to the full committee. Legislatively-mandated reports from transportation agencies are often presented to the LTC.

In addition to providing support for LTC members and activities, LTC staff also provide administrative support for the Transportation Performance Audit Board.

### **TRANSPORTATION PERFORMANCE AUDIT BOARD**

The Transportation Performance Audit Board (TPAB) was established by the Legislature in 2003 to help better understand how the state's transportation agencies are performing through the use of performance measure reviews and audits. TPAB reviews the performance measures of transportation agencies and may recommend that the LTC contract to conduct performance audits of agencies or programs.

TPAB is comprised of eleven members, including five citizen members appointed by the Governor, one at-large member appointed by the Governor, four members of the Legislature (two each from the House and Senate Transportation Committees), and an ex-officio member designated as the legislative auditor.

## **APPENDIX F**

### **Additional Resources for Transportation Project Information**

Following are resources for more information about legislative transportation projects.



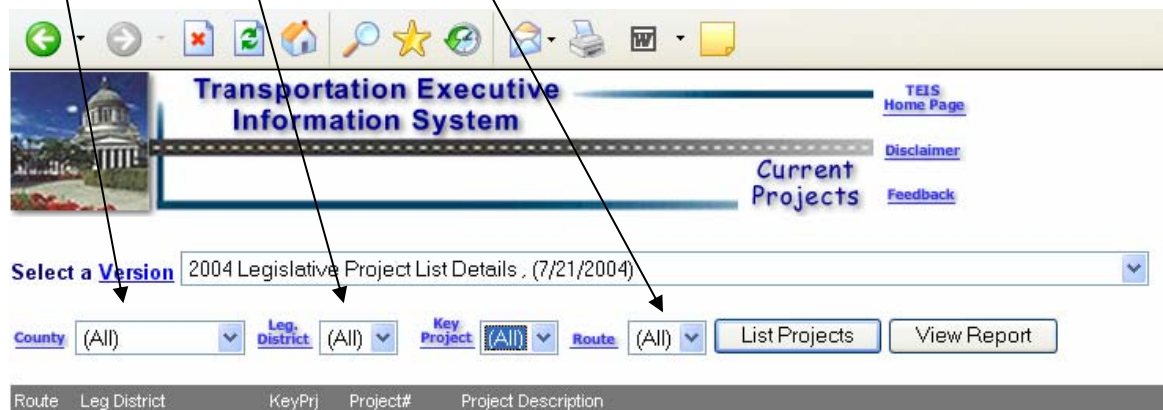
## TRANSPORTATION EXECUTIVE INFORMATION SYSTEMS (TEIS)

The TEIS web site includes the latest final legislative transportation project list, with access to project locator information and project details.

<http://www.transinfo.state.wa.us/>



The project list information through this site allows the user to select projects by: county, legislative districts, or specific state highways.



The project detail screens provide additional project information through links to other web resources.

**I-5/SR 526 TO MARINE VIEW DRIVE**

PIN#: 100543M  
 Title: I-5/SR 526 TO MARINE VIEW DRIVE  
 Description: HOV LANES  
 Book Description: This section of I-5 experiences congestion and mobility problems due to high traffic volumes and is part of the Puget Sound Core HOV program. To relieve congestion, increase capacity and mobility, and provide a travel time advantage to transit and HOV traffic, this project will design and construct northbound and southbound HOV lanes on I-5 between SR 526 and US 2 in the city of Everett. Existing I-5 will be widened asymmetrically with both median and outside widening. The Broadway Interchange off-ramp will be moved to the right side to increase safety and reduce congestion. Up to 20 bridges will be widened. Design and construction of several noise walls and retaining walls and a full storm water system retrofit is anticipated. Intelligent Transportation System (ITS) monitoring equipment will be installed. Investigation of the Lowell Road slide area is included.

DOT Region: 1 - Northwest Region  
 County: Snohomish  
 State Route: 005  
 Location: EVERETT  
 Leg Districts: 44,38  
 Program: I - Improvement  
 Sub-Program: I1 - Mobility  
 Sub-Category: IQ - HOVs

Key Project: PS (Complete Puget Sound Core HOV System - Multiple Highways)  
 Improvement: W - HOV Lanes  
 Urban Area: 01  
 Ad Date:  
 Open to Traffic:  
 Mile Posts: 189.3 to 194.81

| Phase                   | Prior            | 03-05             | 05-07              | 07-09             | 09-11    | 11-13    | Future   | Total              |
|-------------------------|------------------|-------------------|--------------------|-------------------|----------|----------|----------|--------------------|
| Preliminary Engineering | 5,236,414        | 13,392,123        | 5,000,000          | 0                 | 0        | 0        | 0        | 23,628,537         |
| Right of Way            | 0                | 5,000,000         | 7,876,000          | 0                 | 0        | 0        | 0        | 12,876,000         |
| Construction            | 0                | 0                 | 97,124,000         | 88,000,000        | 0        | 0        | 0        | 185,124,000        |
| <b>Totals</b>           | <b>5,236,414</b> | <b>18,392,123</b> | <b>110,000,000</b> | <b>88,000,000</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>221,628,537</b> |

Web link to the project locator application

Web link to WSDOT's project page

Web link to WSDOT's SR view showing a photo of the project location

## LEGISLATIVE EVALUATION & ACCOUNTABILITY PROGRAM COMMITTEE (LEAP)

The LEAP website contains a list of projects covered by specific transportation budget provisos, primarily associated with the 2003 legislative 54 cent gas tax increase.

<http://leap.leg.wa.gov/leap/status/transpoprojects/default.aspx>



STATE OF WASHINGTON LEGISLATIVE EVALUATION & ACCOUNTABILITY PROGRAM COMMITTEE

**LEAP** committee

LEAP Overview State Budget Fiscal Oversight Reporting Transportation Project Status Fiscal Analysis Special Projects & Studies

| Home | Contact Us |

The 2004 Legislature enacted a proviso that the Department of Transportation provide, on a quarterly basis beginning July 1, 2004, the status on each transportation project in the **project lists** submitted to LEAP on March 11, 2004, and on any additional projects for which the department has expended funds during the 2003-05 fiscal biennium. The following information is a first cut at satisfying that proviso.

Transportation Project Status

☐ Nickel Projects ☒ County ☐ Project ☐ Quarterly Report

| Nickel Indicator | County           | Project Title  | Quarterly Report        |
|------------------|------------------|--|-------------------------|
|                  |                  | <a href="#">Completed Projects</a>   |                         |
|                  |                  | <a href="#">Cross Cascades Corridor Analysis</a>                             |                         |
|                  |                  | <a href="#">Ferry System: Four Replacement Auto-Passenger Ferries</a>        |                         |
|                  |                  | <a href="#">Ferry System: Terminal and Maintenance Facility Preservation</a> |                         |
|                  |                  | <a href="#">Ferry System: Vessel Preservation</a>                            |                         |
| <b>N</b>         |                  | <a href="#">Statewide Guardrail Retrofit</a>                                 |                         |
|                  | Benton           | <a href="#">I-182 - Queensgate Vicinity Improvements</a>                     |                         |
| <b>N</b>         | Benton           | <a href="#">SR 240 - Tri-Cities Additional Lanes</a>                         | <a href="#">Sep2004</a> |
|                  | Benton           | <a href="#">SR 397 - I-82 SR 397 Intertie</a>                                |                         |
| <b>N</b>         | Benton, Franklin | <a href="#">US 395 - Kennewick Variable Message Sign</a>                     | <a href="#">Sep2004</a> |
| <b>N</b>         | Chelan           | <a href="#">US 2 - 97 Peshastin East Interchange</a>                         | <a href="#">Sep2004</a> |
| <b>N</b>         | Chelan           | <a href="#">US 2 - Dryden - Signal</a>                                       | <a href="#">Sep2004</a> |
| <b>N</b>         | Chelan           | <a href="#">US 97A - Entiat Park Entrance - Turn Lanes</a>                   | <a href="#">Sep2004</a> |
|                  | Chelan, Grant    | <a href="#">Rail: Quincy Transload Facility</a>                              |                         |
|                  | Chelan, Okanogan | <a href="#">Rail: Cascade and Columbia River Rail Upgrade</a>                |                         |
| <b>N</b>         | Clallam          | <a href="#">US 101 - Blyn/Gardiner Truck Passing Lanes</a>                   |                         |
| <b>N</b>         | Clallam          | <a href="#">US 101 - Corriea Rd Vic to Zaccardo Road</a>                     |                         |
| <b>N</b>         | Clallam          | <a href="#">US 101 - Northbound Truck Climbing Lane</a>                      |                         |
| <b>N</b>         | Clark            | <a href="#">I-205 - Vancouver - Mill Plain Exit (112th Connector)</a>        | <a href="#">Jun2004</a> |
|                  | Clark            | <a href="#">I-5 - Columbia River Crossing/Vancouver</a>                      |                         |
| <b>N</b>         | Clark            | <a href="#">I-5 - Reconstruct I-5 Interchange at NE 134th</a>                | <a href="#">Jun2004</a> |
| <b>N</b>         | Clark            | <a href="#">I-5 - SR 500 Interchange Project</a>                             | <a href="#">Jun2004</a> |



# APPENDIX G

## 18th Amendment vs. Flexible Funding

The 18<sup>th</sup> Amendment to the Washington State Constitution restricts the expenditure of gas tax and vehicle license fees to “highway purposes.” A number of court cases over the years have further defined “highway purposes” (for example, the courts have construed that a park-and-ride lot is a “highway purpose” expenditure).

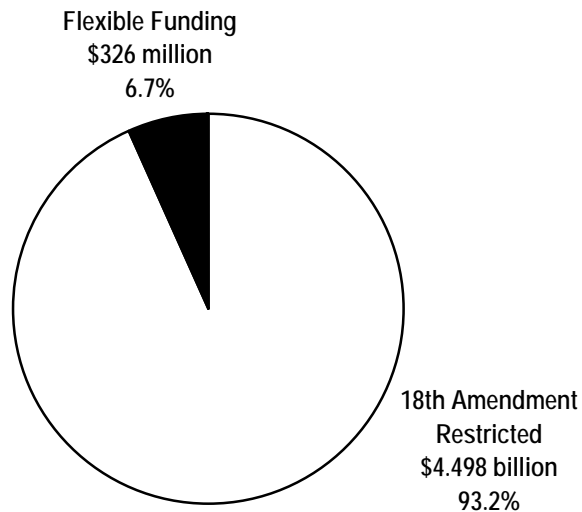
**Article 2 Section 40: Highway Funds.** All fees collected by the State of Washington as license fees for motor vehicles and all excise taxes collected by the State of Washington on the sale, distribution or use of motor vehicle fuel and all other state revenue intended to be used for highway purposes, shall be paid into the state treasury and placed in a special fund to be used exclusively for highway purposes. Such highway purposes shall be construed to include the following:

- (a) The necessary operating, engineering and legal expenses connected with the administration of public highways, county roads and city streets;
- (b) The construction, reconstruction, maintenance, repair, and betterment of public highways, county roads, bridges and city streets; including the cost and expense of (1) acquisition of rights-of-way, (2) installing, maintaining and operating traffic signs and signal lights, (3) policing by the state of public highways, (4) operation of movable span bridges, (5) operation of ferries which are a part of any public highway, county road, or city street;
- (c) The payment or refunding of any obligation of the State of Washington, or any political subdivision thereof, for which any of the revenues described in section 1 may have been legally pledged prior to the effective date of this act;
- (d) Refunds authorized by law for taxes paid on motor vehicle fuels;
- (e) The cost of collection of any revenues described in this section:

*Provided*, That this section shall not be construed to include revenue from general or special taxes or excises not levied primarily for highway purposes, or apply to vehicle operator's license fees or any excise tax imposed on motor vehicles or the use thereof in lieu of a property tax thereon, or fees for certificates of ownership of motor vehicles. [AMENDMENT 18, 1943 House Joint Resolution No. 4, p 938. Approved November, 1944.]

This following graph illustrates the amount of revenues that are flexible vs. 18<sup>th</sup> Amendment restricted for the 2003-05 biennium.

2003-05 Transportation Budget  
Accounts Appropriated  
\$4.8 Billion Total



Flexible funds can be spent on projects or activities that are not highway related. However, for the 2003-05 biennium, \$145 million of the flexible revenue is dedicated to cover the cost of the activity that generated the revenue (such as driver licensing) or for a specific activity (such as the tax on aviation fuel). There is approximately \$181 million in the Multimodal Transportation account that is not dedicated and is available to fund non-highway related projects and activities.